

# COUNCIL OF THE EUROPEAN UNION SIMULATION

# "NEGOTIATION MANDATE FOR A FREE-TRADE AGREEMENT (FTA) WITH TRADELAND" ROLE-PLAY SIMULATION

Council of the European Union Simulation "Negotiation Mandate for a Free Trade Agreement (FTA) with Tradeland" Role-Play Negotiation.  Authored by Alexandru Balas, Noam Ebner, and Andreas Kotelis.  November 2017.
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#### **About the Authors**

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# Instructor's Guide: Council of the European Union Simulation

The Council of the European Union is the institution representing the EU Member states at ministerial level. Also known as the EU Council, it is where **national ministers from each EU country** meet to adopt laws and coordinate policies. For the purpose of this exercise, the Council of the EU meets as the Foreign Affairs Council (Trade). The Foreign Affairs Council (Trade) is attended by the Trade Ministers of the 28 Member states, and, in addition, by the European Commissioner for Trade. The Council of the EU is an inter-governmental institution. The Council of the EU, together with the European Parliament, jointly form the legislative branch of the European Union and its budgetary authority. The Council of the EU gives the negotiating directive (mandate) to the European Commission for negotiating free trade agreements (FTA) with 3<sup>rd</sup> parties. In this exercise, the Council is tasked with deciding the mandate it will give the European Commission for negotiating an FTA with the fictional country of Tradeland.

The first part of this Instructor's Guide includes general guidelines for conducting simulations of the proceedings of the Council of the EU. Using these guidelines, instructors can design their own simulation by choosing suitable topics and creating materials to use with their students.

The second part of this Instructor's Guide includes full instructions for preparing, conducting, and debriefing the "Negotiation Mandate for an FTA with Tradeland" Council of the EU role-play simulation.

# Part I: General guidelines for Conducting Model Council of the EU Simulations

- 1. Basics of the European Union
- 2. Suitable frameworks for Council of the EU simulations
- 3. Choosing Topics
- 4. Creating Material
- 5. Reference Sources for Participant Preparation
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# 1. Basics of the European Union

The European Union (EU) was originally established as the European Coal and Steel Community (ECSC, Treaty of Paris, 1951), completed by the European Economic Community (EEC) and the European Atomic Energy Community (EAEC or Euratom) with the Treaty of Rome, 1957. The six founding states were: Belgium, The Netherlands, Luxembourg, France, Italy, and the Federal Republic of Germany. States wishing to be considered for EU membership must be European and satisfy the Copenhagen Criteria. Additional members were added in enlargement rounds, as detailed below.

### **EU Enlargement Rounds**

- 1973 Denmark, Ireland, and the U.K.
- 1981 Greece
- 1986 Portugal and Spain
- 1995 Austria, Finland, and Sweden
- 2004 Poland, Czech Republic, Hungary, Slovakia, Lithuania, Latvia, Slovenia, Estonia, Cyprus, and Malta
- 2007 Bulgaria and Romania
- 2013 Croatia

Currently, 28 states are members of the EU, as detailed in Table 1.

Table 1. Key Information on EU Member states\*

<sup>&</sup>lt;sup>1</sup>Applicants must: have market economies; have democracies maintaining the highest standards for civil rights and civil liberties; and, be capable of applying EU laws and policies (the *acquis*).

<sup>&</sup>lt;sup>2</sup>Laurie Buonanno, Kathleen Dowley, and Neill Nugent (eds.) 2017. SUNY Guide to the Model European Union 11th edition, Institute for European Studies at SUNY, Albany: NY.

	Population	% Pop. of	Surface Area	Size GDP	Euro	Schengen
	(millions)	EU**	$(1000 \text{ km}^2)$	(billion€)***	Member	Member
Germany	81.1	15.93	357	3,026	Yes	Yes
France	66.3	13.04	551	2,184	Yes	Yes
UK	64.8	12.73	249	2,569	No	No
Italy	61.4	12.07	302	1,636	Yes	Yes
Spain	46.4	9.12	506	1,081	Yes	Yes
Poland	38	7.47	312	428	No	Yes
Romania	19.9	3.9	238	160	No	No
Netherlands	17.1	3.37	42	679	Yes	Yes
Greece	10.9	2.13	130	176	Yes	Yes
Belgium	11.3	2.21	31	409	Yes	Yes
Portugal	10.4	2.04	92	179	Yes	Yes
Czech Rep	10.4	2.05	79	164	No	Yes
Hungary	9.9	1.94	93	108	No	Yes
Sweden	9.8	1.92	438	444	No	Yes
Austria	8.6	1.69	83	337	Yes	Yes
Bulgaria	7.2	1.42	110	44	No	No
Denmark	5.7	1.11	43	266	No	Yes
Slovakia	5.4	1.06	49	78	Yes	Yes
Finland	5.5	1.08	338	207	Yes	Yes
Ireland	4.6	0.91	70	214	Yes	No
Croatia	4.2	0.83	57	44	No	No
Lithuania	2.9	0.57	65	37	Yes	Yes
Latvia	2	0.39	64	24	Yes	Yes
Slovenia	2.1	0.41	20	39	No	Yes
Estonia	1.3	0.26	45	20	Yes	Yes
Cyprus	0.8	0.17	0.9	17	Yes	No
Luxembourg	0.6	0.11	0.3	52	Yes	Yes

Malta	0.4	0.08	0.3	9	Yes	Yes
Total	509	100	4,358	14,631		

Sources: Data from Comments on the Council's Rules of Procedure. European Council's and Council's Rules of Procedure. Annex III. Luxembourg: Publications Office of the European Union, 2016 and Buonanno, Dowley, and Nugent. Policies and Policies Processes of the European Union, pp. 89-91 (forthcoming, 2017) as quoted in Laurie Buonanno, Kathleen Dowley, and Neill Nugent (eds.) SUNY Guide to the Model European Union 11th edition, Institute for European Studies at SUNY, Albany: NY (2017).

### **EU Treaties**

The two treaties on the basis of which the EU operates are the Treaty on European Union (TEU) and the Treaty on the Functioning of the European Union (TFEU). Together, the TEU and the TFEU form the legal basis for governance in the European Union. The TEU contains 55 articles and the TFEU 358.<sup>4</sup>

Broadly speaking, the distinction between the two treaties is that the <u>TEU</u> establishes the general principles and operating structures of the European Union, whereas the <u>TFEU</u> deals primarily with the policies of the EU and details how policies are decided.

# **European Union Institutions**

The EU functions through a number of institutions. Its four primary institutions which are part of its decision-making process are the European Council, the European Commission, the Council of the European Union and the European Parliament. All these are detailed in this section, and their key data is summarized in Table 2.

#### European Council (EUCO)

The European Council is the EU institution that defines the general political directions and priorities of the European Union. Its membership comprises the 28 **heads of state or government of the EU Member states**, as well as the President of the European Council and the President of the European Commission. The EUCO sets policy directions across a wide range of topics, including economic growth, competitiveness, poverty and social exclusion, energy and climate policies, migration, organized crime, security and terrorism, and the EU's role on the

<sup>\*</sup>Situation in autumn 2016; \*\* Threshold 65% - 330,811,621<sup>3</sup>; \*\*\*Figures for 2015

<sup>&</sup>lt;sup>3</sup>"When not all Council members participate in the vote, for example due to an opt-out in certain policy areas, a decision is adopted if 55% of the participating Council members, representing at least 65% of the population of the participating Member states, vote in favour. When the Council votes on a proposal not coming from the Commission or the high representative a decision is adopted if: a) at least 72% of Council members vote in favour; b) they represent at least 65% of the EU population (Source: http://www.consilium.europa.eu/en/council-eu/voting-system/qualified-majority/ checked on July 17, 2017)

<sup>&</sup>lt;sup>4</sup> Consolidated versions of the two treaties are available at: <a href="http://eurlex.europa.eu/JOHtml.do?uri=OJ:C:2010:083:SOM:EN:HTML">http://eurlex.europa.eu/JOHtml.do?uri=OJ:C:2010:083:SOM:EN:HTML</a>

global stage. For the most part, **EUCO decisions are reached through consensus**. The <u>President of the European Council</u> is one of the main representatives of the <u>European Union</u> (EU) on the world stage, and the person presiding over and steering the work of the EUCO. The president of the EUCO is elected for 2 ½ years, renewable once.

### European Commission (EC)

The European Commission is the supra-national institution, which promotes the general interest of the Union in all matters. It is essentially the executive branch of the EU; the European Commission has 28 Commissioners (one per Member State, but acting under the authority of the President of the European Commission) who act as ministers/secretaries within a government with each assigned to a particular portfolio (e.g., Commissioner for Trade, Commissioner for Justice and Consumers, Commissioner for Migration and Citizenship). Its main initiatives are adopted in a collegial manner. The President controls the policy agenda and technically, no policy can be initiated without his/her consent. According to Article 17 of the Treaty on European Union the European Commission has several responsibilities: proposing draft legislation (it is the only EU institution that can table legislative proposals); developing mediumterm strategies; drafting legislation and arbitrating in the legislative process between the Council of the EU and the European Parliament; representing the EU in trade negotiations; promulgating rules and regulations (e.g., with regards to competition policy within the EU); drawing up the budget of the European Union; and overseeing the implementation of the EU treaties mentioned above and all EU legislation (it is in charge of making sure that the EU legislation is applied in a uniform manner across the Union, and can bring Member states and companies to court if needed).

### Council of the European Union

The Council of the EU is the institution representing the Member states at ministerial level. Also known informally as the EU Council, it is where **national ministers from each EU country** meet to adopt laws and coordinate policies (<a href="http://www.consilium.europa.eu/en/councileu/">http://www.consilium.europa.eu/en/councileu/</a>).

The Council of the EU is an inter-governmental institution. The Council of the EU, together with the European Parliament (below), form the legislative branch of the European Union and its budgetary authority. The Council meets in ten configurations, with ministers from each of the 28 Member states represented on each of the councils, detailed below:

General Affairs

Foreign Affairs

Economic and Financial Affairs (Ecofin)

Justice and Home Affairs

Employment, Social Policy, Health, and Consumer Affairs

Competitiveness (Internal Market, Industry, and Research)

Transport, Telecommunications, and Energy

Agriculture and Fisheries

Environment

Education, Youth, and Culture

The Council of the EU negotiates, drafts, and adopts EU laws; coordinates Member state policies such as economic and fiscal policies, education, culture, youth and sport policies, and employment policy; develops the EU's common foreign and security policy; concludes international agreements; and adopts the EU budget.

The Council of the European Union (distinct from the European Council), is the equivalent of an "upper house" of the EU legislature (with the European Parliament, discussed below, filling the role of the "lower house"). The Presidency of the Council of the European Union is responsible for the functioning of the Council. The Presidency rotates among the Member states of the EU every six months. Member states holding the presidency work together closely in groups of three, called 'trios;' the trio includes the current presiding country, the former presiding country, and the future presiding country. This system was introduced by the Lisbon Treaty in 2009. The trio sets long-term goals and prepares a common agenda determining the topics and major issues that will be addressed by the Council over an 18 month period. Since the entry into force of the Lisbon treaty, the rotating presidency of the Council of the EU<sup>5</sup> no longer has the presidency of the European Council concomitantly, as the latter now has a permanent president nominated for 2.5 years (renewable once).

# **European Parliament**

The European Parliament (EP) is the directly elected parliamentary institution of the European Union (EU). Together with the Council of the EU, it forms the legislative branch of the European Union and the budgetary authority. It comprises 751 Members of the European Parliament (MEPs), who are elected every five years. The EP is led by its President, and functions through committees, subcommittees and delegations covering third countries. Most MEPs are part of a political group. The Parliament acts as a co-legislator, sharing with the Council of the European Union the power to adopt and amend legislative proposals and to decide on the EU's budget. It also supervises the work of the European Commission and other EU bodies, and cooperates with national parliaments of EU countries to get their input on the issues under its purview.

**Table 2. Institutions of the European Union** 

Institution	Number of Members	Who are they?	Role
European Commission	28 (one per Member State, but act under the authority of the President)	Most are former national ministers	Mostly executive duties, but also including drafting legislation and overseeing policy implementation

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<sup>&</sup>lt;sup>5</sup> For a complete list of the Member states holding the rotating presidency of the Council of the EU please check here: http://www.consilium.europa.eu/en/council-eu/presidency-council-eu/

Council of the EU (Council of Ministers)	28 (representing their Member state, with different voting rights). Most decisions are taken at qualified-majority	National ministers (with the support of the Member states Permanent Representatives to the EU)	Co-legislator, branch of the budgetary authority. Final decision-maker, in most cases with the EP, except for some areas like foreign and security
European Parliament	751	Direct election (MEPs elected by country allotment)	Co-legislator (in most cases), branch of the budgetary authority or consultative role.
European Council	30	Heads of state or government + European Commission and European Council Presidents.	Sets agenda/priorities
European Court of Justice	28 (one appointee per member state)	One appointee per member state	Judicial court of the EU, interpreting EU legislation/case law and sanctioning infringements.

# **Background Information on EU Trade Policy**

The EU has set up a customs union and a common trade policy in the late 1950s. The European Commission negotiates trade agreements on behalf of the EU based on a mandate agreed upon by Member states (by qualified majority except for issues related to services, commercial aspects of intellectual property, foreign direct investments, trade in cultural and audiovisual services, trade in social, education and health services). The European Commission reports back on trade negotiations regularly to the Council of the EU and the European Parliament. Draft trade agreements negotiated by the European Commission with third parties must be agreed upon by all Member states (unanimity), with the consent of the European Parliament. Member states can no longer conclude trade agreements on their own, since this is an exclusive competence of the EU.

Over the years, the EU has become one of the world's largest trading blocks, representing a market of 500 million Europeans and 28 developed countries.

### 2. Suitable Frameworks for Council of the EU Simulations

Council of the EU simulations can be conducted in a wide variety of frameworks. They can be organized as class activities in undergraduate and graduate courses on such topics as European Union studies, international organizations, international relations, conflict analysis and resolution, negotiation, mediation, and international law. An economics/trade topic such as a negotiation about the mandate to be given to the European Commission to negotiate a free trade agreement (FTA) with a third-party could also be well suited for a class on economics or international political economy. They can also be a beneficial learning activity for high-school students studying social studies or civics. Outside of course frameworks, they can be organized as competitions or as conferences, bringing together participants from a range of backgrounds or countries.

# 3. Choosing Topics for Council of the EU Simulations

The Council of the EU discusses, at the ministerial level, the most essential EU policies across a wide range of topics, including agriculture, consumer protection, economy and finance, employment, fisheries, security and defense, foreign affairs and international relations, etc. As one main purpose of simulating the proceedings of the Council of the EU is allowing participants to experience and understand the Council of the EU's proceedings, any issue requiring policy determination, however mundane, falling within the responsibilities of the Council of the EU is suitable to be the topic around which to design a simulation. Of course, if an additional teaching goal is gaining in-depth understanding of any particular subject matter, that topic could be preferred. Designers can choose topics of special interest to them, or those they consider to be important to their intended participant group. Another way to approach topic-choice is to select an issue that is currently 'hot' in terms of media attention and public interest. This can serve to draw participants' attention, as well as to provide them with motivation by giving them the sense that they are dealing with the weighty and crucial topics of their time.

Note that voting rules may differ depending on the policy areas. While most votes occur with qualified-majority voting, some require unanimity (simple majority is only used for some internal matters).

#### 4. Creating Material

There are 29 'natural' players in a Council of the EU simulation: One representative from each state (the appropriate minister of each EU Member-State, depending on the Council configuration), and the European Commissioner for the topic under discussion. For example, on issues of commerce, the 28 Ministers of Trade represent their countries and are joined by the European Commissioner for Trade. The Presidency is held by rotation; to preserve realism, designate the participating minister of the Member-State holding the rotating Presidency of the Council of the EU in the real world, at the time of the simulation's conduct, as the President of the Council of the EU in your simulation. A list of scheduled presidencies of the Council of the EU can be found here: <a href="http://www.consilium.europa.eu/en/press/press-releases/2016/07/26-council-rotating-presidencies-revised-order/">http://www.consilium.europa.eu/en/press/press-releases/2016/07/26-council-rotating-presidencies-revised-order/</a>

Note, that on security and defense policy, the Council meetings are chaired by the EU's High Representative and not a minister from the rotating presidency. Thus, if you as the instructor want to change the topic discussed in the Council of the EU Simulation, you want to pay close attention to the configuration of the Council needed for the new topic and the list of participants who attend the meeting of the Council of the EU.

Each player will require information allowing them to plan and act their roles as similarly as possible to how the Council of the EU members conduct themselves in the real world. Begin by providing some background information on the topic, on the events leading up to the Council of the EU meeting focusing on this particular topic, and the scope of the negotiating directives (i.e., the negotiated proposal that will be put to vote) that the Council of the EU seeks to achieve. You might provide the same background information to all participants. Next, sketch out each party's main positions, interests and objectives, and provide it to that party as private information, for their eyes only. You may hint at other countries that might be aligned with their views or oppose them, or let participants figure this out on their own. Based on this information, each Council of the EU representative must plan their objectives, strategy, and tactics, on their own. In addition, provide participants with any maps or other documents that they will require for the simulation.

#### 5. Reference Sources for Participant Preparation

Provide participants with other sources of information they require in order to function well in the simulation. These might include the following categories of resources:

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<sup>&</sup>lt;sup>6</sup> http://www.consilium.europa.eu/en/council-eu/configurations/

- Sources on the structure of the EU, beyond what has been provided above;<sup>7</sup>
- Sources on the role of the Council of the EU, in particular;<sup>8</sup>
- Sources on the Foreign Affairs Council configuration;<sup>9</sup>
- Sources on the Council of the EU procedure<sup>10</sup>; and
- Sources on EU concepts/jargon (e.g.: Schengen, Lisbon, Euro, subsidiarity etc.). 11

In addition, you might also include sources on the particular subject-matter or topic to be decided by the Council of the EU.

# 6. Time requirements

To conduct a full simulation of the proceedings of the Council of the EU on a substantial topic, in the framework of an academic course, about 2 to 4 hours are required. These can be broken up over the course of two weekly sessions, as required. At the very least, this negotiation requires 1½ hours of run-time. It can be expanded to last for 1-2 days (10-14 hours of actual negotiation), such as a simulation conducted in the framework of a Model European Union conference. In addition to the aforementioned time requirements, calculate in additional time ahead of the simulation for participant preparation, and after the simulation for the process' debrief.

#### 7. Simulation conduct

Provide participants with their roles, and allow them adequate time to prepare. Designate a time for them to meet, in a room you have prepared for them. Announce the beginning of the simulation, and hand the floor over to the representative of the Member-State holding the Presidency of the Council of the EU to begin the proceedings. **The Minister of Trade from the Member-State holding the Presidency of the Council of the EU is the chair of this simulation.** The European Commissioner for Trade will help in facilitating the negotiations.

The simulation ends with the Council of the EU announcing an impasse or adopting a negotiating directive (i.e., an FTA negotiation mandate for the Commission). It can also end with the instructor announcing that time has run out.

#### 8. Simulation Debrief

After the simulation is over, conduct a debriefing session, based on your learning goals.

<sup>&</sup>lt;sup>7</sup>For example, https://europa.eu/european-union/index en

<sup>&</sup>lt;sup>8</sup>For example, http://www.consilium.europa.eu/en/council-eu/

<sup>&</sup>lt;sup>9</sup>For example, <a href="http://www.consilium.europa.eu/en/council-eu/configurations/fac/">http://www.consilium.europa.eu/en/council-eu/configurations/fac/</a>

 $<sup>^{10}</sup> For\ example, \underline{http://trade.ec.europa.eu/doclib/docs/2006/december/tradoc\_118238.pdf}\ ;$ 

http://data.consilium.europa.eu/doc/document/ST-11103-2013-DCL-1/en/pdf

<sup>11</sup> For example, http://ec.europa.eu/ipg/content/tips/words-style/jargon-alternatives en.htm; http://en.euabc.com/

# 9. Post-Simulation Learning Activities

In addition to a post-process debrief, teachers can design other follow-on learning activities. These can include in-class activities, asking students to fill out reflection forms, or assigning them to write papers analyzing the exercise.

# Part II: "Negotiation Mandate for a Free Trade Agreement (FTA) with Tradeland" Council Simulation

- 1. Simulation Overview
- 2. Logistics, Setup and Game Management
- 3. Teaching Notes
  - a. Game Variations
  - b. Debriefing Guide
  - c. Post-simulation learning activities
- 4. Information and Role Material for Participants
  - a. Role instructions for participants
  - b. Maps

# Part II: "Negotiation Mandate for a Free Trade Agreement (FTA) with Tradeland" Simulation

#### 1. Simulation Overview

Target audience: The Negotiation Mandate for a Free Trade Agreement (FTA) with Tradeland simulation-game is constructed as a teaching-tool for undergraduate and graduate courses on such topics as European Union studies, international organizations, international relations, conflict analysis and resolution, negotiation, mediation, international law, and international political economy. The simulation can be used successfully in introductory courses (e.g., Introduction to the European Union, Introduction to International Relations, Introduction to International Organizations, Introduction to Economics) but it may reap higher benefits in a midlevel course targeted at 2nd or 3rd year students who have had some exposure to introductory courses on one or more topics such as European government, negotiation, international relations, or economics. It can also be used to prepare, train, and test the negotiation skills of groups of students in preparation for Model European Union and Model United Nations conferences. This simulation can also be used for conducting a 1-2 day(s) Model European Union conference.

*Topic*: The simulation focuses on the issue of trade with a third party, but it can serve as a model for developing simulations on other policy areas such as agriculture, consumer protection, employment, fisheries, security and defense, foreign affairs and international relations (see Part I, above).

Simulation method: The simulation is set in a scenario that is primarily fictitious – yet still blends in and incorporates real events, history and detail, forming a "pseudo-reality": a situation familiar and compelling enough to spark interest, motivation and identification, yet controlled and constrained through incorporating fictitious elements to allow for maximum learning and skill-building.

Simulation synopsis: The simulation is a multi-party negotiation at a meeting of the Council of the EU (Foreign Affairs Council – Trade) to determine the mandate ('negotiating directives' as it is called by the European Union) that the Council of the EU will give to the European Commission to negotiate a free trade agreement (FTA) on behalf of the EU with the fictional country of Tradeland. Tradeland is a close ally of the European Union and one of the EU's largest trading partners. Participants are tasked with designing a mandate for the Commission. This is a currently a 'hot' topic on the EU agenda and is likely to remain so for the foreseeable future. Participants are not tasked to negotiate with Tradeland, but rather to represent the interests of their country or of their institution (for the European Commissioner for Trade) in the negotiations taking place within the Council of the EU regarding what should be included in the negotiation mandate given to the European Commission. Given that the simulation cannot address all of the issues covered in a free trade agreement, Member states of the Council are tasked with forwarding only 3 main policy objectives to the Commission negotiators to focus on in the negotiations with Tradeland.

There are 29 parties participating (28 EU Member states, plus the European Commissioner for Trade). All parties receive private information describing their separate interests and positions. In deciding the policy of the Council of the EU, it is up to participants to decide whether they wish to act in a competitive manner - or if they prefer to use collaborative approaches seeking winwin, integrative solutions for overall benefit to the European Union.

Learning goals: Through taking part in this simulation, participants will:

- Deepen their understanding of the European Union and its decision-making processes;
- Understand the dynamics of negotiation and alliance-building within the Council of the European Union;
- Experience the pathways to deciding an agenda item discussed at a Council of the EU meeting; and
- Apply negotiation skills in a multi-party setting.

Roles: Structure and balance: There are five major groups of countries in the simulation. While there are some differences between internal members in each group, with regards to specific interests, their overall approaches to trade issues are similar. The push and pull between these five groups provide the central dynamics of the simulation. Some countries 12 belong to more than one of these groups, given their multiple interests and alliances. Instructors should familiarize themselves with the groupings in order to follow the simulation and guide any interventions they choose to make (below). Participants are provided with a description of these groups, but not with a detailed breakdown of the countries in them; they will need to discover allies and adversaries on their own. The five groups are:

Reluctant to form an FTA: This group includes those who believe that a free trade agreement with Tradeland may negatively impact their economy, overall; more sectors/businesses would lose out as a result of an FTA, than would benefit. These countries think that some of their economic sectors are not prepared, at this stage, to face the new competition that the FTA would enable, particularly owing to the uneven playing field in terms of social, fiscal and environmental norms that exist in in the EU and in Tradeland. They are therefore reluctant to open trade negotiations; they may seek to obtain gains in other policy areas in return for supporting these trade talks, and they may seek to impose limitations on the scope of this trade agreement in return for supporting it at all. Countries: Austria, Czech Republic, France, Hungary, Malta, Slovakia, Slovenia.

In favor of an FTA: A second group is formed by countries which have a strong trade surplus and an economy that is largely export-driven. These states think that their companies could gain major markets in Tradeland, should a free trade deal would be concluded. They believe that

be contradictory to the views on free trade of those Member-States' real governments at the time when the simulation is played. We have assigned views on free trade for all Member-States in order to make sure that the dynamic of the role-play simulation is balanced.

<sup>&</sup>lt;sup>12</sup> The membership of these groups does not necessarily represent the views of the governments of the EU Member-States on free trade. As this is a fictitious exercise, in this simulation some Member-States may hold views that may

laissez faire policies spark innovation and prosperity. Countries: Estonia, Germany, Ireland, Lithuania, Latvia, UK.

<u>In favor of an FTA, but with sectoral exceptions</u>: A third group of states includes those which support the notion of a free trade agreement but wish to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage. Countries: **Greece, Italy, Netherlands, Poland, Portugal, Spain.** 

<u>In favor of an FTA, but with concerns about standards and regulations</u>: A fourth group of states favor promoting free trade, yet are concerned that an agreement with Tradeland could negatively impact well-established European ideals and practices, such as consumer rights, labor unions, welfare systems etc. - given the fact that Tradeland is a far less regulated environment supporting a production-oriented economy. Similarly, states might raise objections regarding public health issues, especially foodstuffs including genetically manufactured organisms (GMOs) which are unregulated in Tradeland. These states support forming an agreement regarding free trade and the removal of tariffs, yet oppose the harmonization of regulations between Tradeland and the EU. Countries: **Belgium, Denmark, Finland, Luxembourg, Sweden.** 

<u>Neutral</u>, <u>but taking advantage of potential side benefits</u>: A final group of countries are largely neutral towards the notion of an FTA; however, they are expected to take make the most of the situation, and seek payoffs in return for their giving the FTA negotiations a green light. Such payoffs might include, for example, demanding visa liberalization on Tradeland's part (currently, Tradeland does not apply a uniform visa policy towards all EU Member states). **Countries: Bulgaria, Cyprus, Croatia, Romania.** 

Simulation dynamics and outcome: Ultimately, the decision making mechanism in the Council of the EU for the purposes of this simulation is reaching an agreement through qualified majority voting, following the rules laid down by the EU Treaties (see Section I). Power imbalances and time pressure will require participants to create alliances and think quickly, with regards to protecting their country's individual interests as well as promoting the EU's interests as a whole.

Setting, timeframe, and interventions: This instructor's guide assumes that the simulation will be played in a face-to-face environment, with full monitoring by the instructor (for discussion of conducting the simulation online, see Section 3(a) Game Variations, below.) The instructors should provide time for preparation and debriefing, before and after the simulation, respectively, as discussed below. The simulation can be adapted to be conducted in 1½ hours, or played out over the course of two full days. One method for achieving this versatility involves the instructor intervening with 'breaking news' which require participants to either re-assess and prolong the simulation, in the unlikely situation that there is overly or artificially rapid agreement, or provide them with opportunities and assistance for moving past 'stumbling blocks,' speeding up the process. All these issues are detailed in Section 2 – Logistics, Setup and Simulation Management, below.

# 2. Logistics, Setup and Simulation Management

*Number of participants*: This simulation is ideally designed for use with a class of 29 students. For smaller or larger groups, see Section 3(a) Game Variations, below.

Physical surroundings and props: The simulation requires a large room, to accommodate participants' sitting around a large rectangular table (which can be formed of regular desks placed side by side), or in seats placed in a large circle. It would be helpful to have a map of Europe and its surroundings handy, as well as a whiteboard or flipchart. As negotiations between smaller groups are likely to develop, you may want to provide a second room, or an adjacent hallway (one in which the participants will not disturb other classes), for conducting such caucuses.

To add a sense of reality to the situation, teachers might consider asking participants to dress up formally for the occasion, and (as resources permit) add on touches to convey a sense of the reallife setting (such as by providing name tags for the countries, placards with countries' flags printed on them, actual miniature flags on the table in front of the country's seats, etc.). Try to follow seating order dictated protocol, which can be found by here: http://publications.europa.eu/code/pdf/370000en.htm. When teachers take this kind of initiative, students will often augment it through efforts of their own, such as by adding an element of national dress to their garb.

A phone call with a representative from the EU or a transatlantic expert, at some point during the game, may give an even more realistic dimension to the simulation.

*Time*: The recommended time for conducting the simulation itself is 2-4 hours. For considerations, variations and methods for adapting the simulation's duration, see Section 3(a) Game Variations, below.

Required / optional material: To conduct the simulation itself, all that is strictly required are the roles to be handed out to each team, provided at the end of this instructor's guide. Instructions to the group regarding procedural issues, decision-making, and timeframe can be imparted orally. Depending on preparation time and students' previous studies, teachers can consider assigning students to review the material found on some of the websites provided in Part I: General Guidelines for Conducting Model Council of the EU Simulations, above. Teachers might decide to add in material of their own, or ask students to conduct independent research; see Section 3(a) Game Variations, below.

Simulation setup role assignment, instructions and initiation: In this phase, you designate participants to their individual roles, and assign them the material they need to prepare. This can be done on the spot, by handing out roles to students and instructing them to be ready to begin

the Council of the EU in one hour, or in the following class session. When circumstances allow it, or, when you wish their preparation to go beyond the role material provided in this guide (see Section 3(a) Game Variations, below), assign the material at least one day (or, one lesson) before the simulation is to take place, allowing participants to prepare themselves fully. Announce precisely when and where the Council of the EU is to take place, stressing that everybody must be present, prepared, and ready to begin the Council of the EU at that time. Stress that absences will threaten the success of the meeting. Give any group instructions you feel necessary to the group. At the designated starting time, gather the group, and announce that the simulation has begun; all their behavior, from now on, must be in-role.

The Council of the EU is chaired by the Minister (of Trade, for the purposes of this exercise), representing the Member-State holding the rotating Presidency of the European Union in the real world at the time of the simulation.<sup>13</sup> The minister chairing the meeting will present the issue on the agenda, based on the individual role provided to them as representative of their country. The Minister/chair should introduce the European Commissioner for Trade to the assembled representatives. These two participants should have a short conversation before the simulation to decide a plan for how the chair will facilitate the dialogue and what role the European Commissioner will take. The chair then proceeds to open the meeting for statements by those Member states who wish to state their opinions. At this starting point of the meeting, the chair should ask that participants' opening statements be limited to 2 minutes, and that speakers focus on substantive matters rather than issuing lists of demands. After opening statements, the chair can suggest structured or unstructured break-out meetings (to allow for informal negotiation) with just a few of the participants or full plenary meetings, as she/he sees fit in order to promote successful negotiations within the Council of the EU. The chair can facilitate dialogue, or allow participants to engage without facilitation/moderation. Instructors should be very mindful in assigning the role of the chair, and also that of the European Commissioner for Trade, as the way the simulation plays out depends to a certain extent on their ability to facilitate an effective group processes.

The proceedings can be as informal or formal as the instructor desires based on the learning goals of the simulation. If you want the group to follow more formal proceedings, prompt the chair to use the Council of the EU's Rules of Procedure, <sup>14</sup> of which the following are a part:

- "8. At the start of a meeting, the Presidency [the chair] shall give any further information necessary regarding the handling of the meeting and in particular indicate the length of time it intends to be devoted to each item. It shall refrain from making lengthy introductions and avoid repeating information which is already known to delegations.
- 9. At the start of a discussion on a substantive point, the Presidency shall, depending on the type of discussion which is needed, indicate to delegations the maximum length of their interventions on that point. In most cases interventions should not exceed two minutes.

Pror detailed rules please check here: <a href="http://www.consilium.europa.eu/en/documents/">http://www.consilium.europa.eu/en/documents/</a>
publications/publications/2016/council-rules-procedure-comments/

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<sup>&</sup>lt;sup>13</sup>A list of scheduled presidencies of the Council of the EU can be found here: <a href="http://www.consilium.europa.eu/en/press/press-releases/2016/07/26-council-rotating-presidencies-revised-order/">http://www.consilium.europa.eu/en/press/press-releases/2016/07/26-council-rotating-presidencies-revised-order/</a>
<sup>14</sup>For detailed rules please check here: <a href="http://www.consilium.europa.eu/en/documents-">http://www.consilium.europa.eu/en/documents-</a>

- 10. Full table rounds shall be proscribed in principle; they may be used only in exceptional circumstances on specific questions, with a time limit on interventions set by the Presidency.
- 11. The Presidency shall give as much focus as possible to discussions, in particular by requesting delegations to react to compromise texts or specific proposals.
- 12. During and at the end of meetings the Presidency shall refrain from making lengthy summaries of the discussions and shall confine itself to concluding briefly on the results (substance and/or procedure) achieved.
- 13. Delegations shall avoid repeating points made by previous speakers. Their interventions shall be brief, substantive and to the point.
- 14. Like-minded delegations shall be encouraged to hold consultations with a view to the presentation by a single spokesperson of a common position on a specific point.
- 15. When discussing texts, delegations shall make concrete drafting proposals, in writing, rather than merely express their disagreement with a particular proposal.
- 16. Unless indicated otherwise by the Presidency, delegations shall refrain from taking the floor when in agreement with a particular proposal; in this case silence shall be taken as agreement in principle." <sup>15</sup>

Participant-driven simulation conduct: Make sure that the chair of the Council of the EU meeting (referred as the Presidency in the rules of procedure above) is aware of the simulation's ending time. Other than that, the simulation design allows for the entire process to be driven, start to finish, by participants, without instructor guidance or intervention.

Instructor interventions: During the simulation's run-time, the instructor's task is largely to be attentive to the proceedings and discussion, noting interesting elements to raise for discussion in the post-simulation debrief session. There are three situations in which instructor intervention is desirable: Students will sometimes pose questions to the instructor – for example, about Council of the EU procedural rule, the simulation storyline, information they see as 'missing,' or how they should be playing their role. When possible, the instructor would do best to point participants towards sources for procedural rules or the information provided in their roles. Sometimes, however, the instructor needs to take on the responsibility of clarifying a point or explaining something in the instructions. To this end, teachers should review the simulation before engaging in it so they will be able to clarify or adjust details without upsetting the fundamental balance between participants. A second – fairly rare - trigger event for instructor intervention is disruptive behavior on the part of participants. This might be unusually inappropriate or abusive behavior by participants in-role, but will more likely be occurrences of participants suddenly slipping out of role during the course of the simulation, and engaging in discussion that bursts the 'bubble' of simulated reality. This often happens for short moments, with the simulation self-restoring; however, if things get out of hand in this regard, the instructor can encourage participants to regroup and restore the simulation bubble. Finally, instructors may intervene to add in news of new information or events that s/he wishes to introduce into the simulation (see Section 3(a) Game Variations, below).

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<sup>&</sup>lt;sup>15</sup>Ibid.

Final stages and simulation ending: A non-intrusive intervention, such as a note to the chair of the Council of the EU meeting, or catching their eye whilst tapping one's watch, should be enough to help participants keep their eye on the clock as the deadline approaches. As it does, the chair of the Council of the EU with the help of the European Commissioner for Trade together with leading Member state representatives should work on drafting the language of any agreement parties have come to. When there is a written draft agreement the chair of the Council of the EU meeting distributes it to all parties, and calls for a vote. If it passes<sup>16</sup>, the chair of the Council of the EU meeting announces the negotiating directives for the FTA that will be passed along to the European Commission. If it does not, and there is time remaining, negotiations can resume with the hopes of achieving agreement, drafting it and voting on it anew. If time runs out with no solution being passed by vote, the Council of the EU ends without a negotiation directive for the European Commission regarding the FTA. Of course, if parties realize they are not going to reach agreement on all the issues, they can attempt to carve out issues for which there is sufficient agreement to vote on, and agree to attempt to settle the rest at a later date.

Transitioning from simulation to debrief: If the meeting has ended with an agreement, or a successful vote, you might ask parties to sign it, or stage a group photo, to provide a moment of celebration during which participants will shift slowly back into their natural selves. After the conclusion, announce that in a couple of minutes all representatives will be leaving back to their embassies, and they can use the time to say goodbye to other representatives. Then, announce the end of the simulation, and ask participants to return to their seats to discuss what happened.

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<sup>• 1655%</sup> of Member states vote in favour - in practice this means 16 out of 28

<sup>•</sup> the proposal is supported by Member states representing **at least 65% of the total EU population** – see threshold for 65% in Table 1. above

<sup>•</sup> The **blocking minority** must include at least four Council members representing more than 35% of the EU population.(Source: <a href="http://www.consilium.europa.eu/en/council-eu/voting-system/qualified-majority/">http://www.consilium.europa.eu/en/council-eu/voting-system/qualified-majority/</a>)

# 3. Teaching Notes

# 3(a) Game Variations

This section will cover five areas in which instructors might depart from the basic simulation format detailed above.

#### 3(a)1. Group size:

The optimal group size for conducting the simulation is 29: 28 players represent the EU Member states, and one player represents the Commissioner of Trade.

If you have additional students, you can add up to one more of them to each country-representative role, designating one as an aide, or both as co-representatives of that role (this last possibility is somewhat artificial, of course; on the other hand, it allows both participants to feel, think, and act as a primary player in the simulation, enhancing their learning process). This results in a maximum participant number of 58.

If you have fewer students, the most balanced way to construct the roles is to remove one role from each of the five major groups to maintain the simulation's inherent balance of party positions on the topic of migration (see Section 1, Simulation Overview, above). If you are still missing participants, remove an additional role from each of the groups, and so on. At the very least, the simulation requires 8 participants to function: If you have only 8 participants, conduct the simulation with the following roles: 2 roles each from the groups "*Reluctant to the FTA*", and "*In favor of the FTA*", one role each from the remaining three groups, and the European Commissioner for Trade. You want to make sure that the country holding the rotating presidency of the Council of the EU is included in the shortened simulation, and that the participant playing that role will chair the meeting.

#### 3(a)2. Timeframe:

Instructors can set aside a substantial period of time for running the simulation in a single session. To this end, it is recommended to dedicate 2-4 hours to the actual playing of the simulation itself, aside from time for preparation and debrief. However, instructors might decide to conduct it in a shorter timeframe – providing some situational reason for why the Council of the EU must reach a decision within 1 ½ hours. Alternatively, they can decide to run the simulation in multiple sessions, each of short duration; for example, dedicating an hour of class time to the simulation in each of 2 consecutive class meetings, and running a debrief session in a 3<sup>rd</sup> class meeting.

# 3(a)3. Instructor interventions

The simulation is designed to be self-sustaining; once set in motion, it can be fully carried out without instructor intervention. However, instructors can intervene in the simulation, adding new events or facts, and thereby changing the simulation's course. One reason to do so would be to slow down a group that is rapidly or artificially headed towards agreement without full engagement with the issues or with their differences. Conversely, instructors might wish to

incentivize or aid a group that is not progressing, and seems to lack the motivation or skill to do so. Such interventions, thereby, essentially manipulate the timeline and pace of the simulation. Another reason for intervening would be in order to introduce real-world or seemingly real-world occurrences into the simulation, giving participants a taste of what it feels like to deliberate policy while real-world influences seep into the meeting room. While externally introduced events might be initially categorized as 'positive' or 'negative' in sense of their anticipated effect on parties' capacity to collaborate, any event might be utilized by different parties to achieve different ends.<sup>17</sup>

Instructors can, of course, come up with their own intervention methods. Below, are four examples - two 'positive' interventions and two 'negative' interventions, for use in *Negotiation Mandate for a Free Trade Agreement (FTA) with Tradeland*. Instructors should stop the simulation for a moment, and announce that they have 'breaking news' for participants:

#### Positive Interventions

- A very large EU-based conglomerate (interested in the EU having a Free Trade Agreement with Tradeland) has announced that it would open one factory in each Member-State of the EU that can prove that its rate of unemployment has risen because of the FTA with Tradeland. Such a move could potentially employ hundreds, if not thousands, of people who may find themselves unemployed due to the FTA with Tradeland.
- A group of the 10 most generous EU-based philanthropists have announced that they will jointly invest several billion Euros to develop the competitiveness of companies from EU Member states with less developed economies.

#### *Negative Interventions*

- A poll conducted recently shows that most EU citizens currently tend towards "economic nationalism"; they prefer to consume products and services produced by European companies, rather than those produced outside of the EU. This piece of information may make some of the participants reconsider their interests, with elections coming up in a few of the EU Member states later this year.
- A research center has shown that in most FTA agreements signed by Tradeland with 3<sup>rd</sup> parties, standards and regulations regarding labor rights, environmental policies, safety and health standards, consumer rights, usually decrease to those of the lowest common denominator, Tradeland's. The effects of the EU's higher and more stringent standards on these issues would likely diminish if an FTA agreement is signed with Tradeland.

#### 3(a)4. Opening and updating the simulation

Negotiation Mandate for a Free Trade Agreement (FTA) with Tradeland captures, loosely, the real-world approaches held by European countries towards FTAs with major economic powers

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<sup>&</sup>lt;sup>17</sup>For more on the introduction of such twists in simulations, see Ebner, N. & Efron, Y. (2005). Using tomorrow's headlines for today's training: Creating pseudo-reality in conflict resolution simulation-games. *Negotiation Journal 21(3)*, *377*. Available at <a href="https://papers.ssrn.com/sol3/papers.cfm?abstract\_id=1292594">https://papers.ssrn.com/sol3/papers.cfm?abstract\_id=1292594</a>

such as Canada or the United States of America, *circa* late 2016- early 2017. As such, it is most easily played as a historical and fictional simulation, using only the roles provided in this package, with no external material affecting parties' interests, positions or alliances. Played this way, the game will run more or less as described in this package, given the internal balances incorporated in the roles creating the five major groups and positioning their information and interests vis-à-vis one another. If the primary goals of the exercise are to learn about how the Council of the EU functions, or to practice negotiation and conflict resolution skills in the context of an international policy-setting organization - as opposed to providing students up-to-date information on the substance of the FTAs - it is recommended to play the simulation in this way.

Another way to play the situation is by handing out the roles, yet asking participants to conduct research on their own with regards to current events, policy changes, public opinion in their role-country regarding migration, etc. This method poses several advantages: student investment in the simulation at an early stage, enhancing participants' identification with their roles, and engaging in a contemporary simulation. On the other hand, the method presents challenges to the simulation, in that significant shifts in countries' positions might undermine the simulation's internal balance; additionally, quite simply, participants might operate off of information that they have misunderstood or under-researched. If one of the exercise's main goals is providing participants with an up-to-date understanding of the challenges of negotiating an FTA with a 3<sup>rd</sup> party, you might consider running the game in this way. Here are some recommendations for preempting some of the aforementioned challenges this might entail:

Advance preparation: After assigning student their role, give participants a week or two in which to prepare. Ask them to learn from both media and governmental sources of their assigned countries about their assigned government's interests, in order to have an enriched experience. Remind them that they are to conduct their own research and not to discuss the simulation with other parties. This is necessary in order to avoid participants engaging in pre-simulation negotiation. Assign them to write up a one-page summary of the information they have gathered that they see as affecting their role, and specifically, to note any divergences from the information provided in the original role information. Ask them to submit this report to you at a point several days before the simulation.

Teacher review: Review the notes students have provided you with. Focus on three elements: First, based on your own knowledge of current affairs, address factual inaccuracies. Second, consider whether the additional reports seem to significantly undermine the balance of conflict and cooperation between the five major groups. If so – find a way to keep it balanced, either by telling one participant to ignore a particular fact or set aside a particular interest they have reported on, or by providing additional information or interests to a different party. Finally, keep an eye open for parties who have submitted a list of new information or positions that indicate that they might 'go rogue,' engaging in the simulation through an extreme departure from the original role, current reality, or the norms of Council of the EU -member behavior, in such a way that could derail the simulation as a learning exercise. In this event, respond to the participants' report with information or instructions aimed at bringing them into line.

*Final preparation*: Return students' reports, together with your comments, allowing them enough time to review and consider these before the simulation's initiation.

#### **3(a)5.** Conducting the simulation online:

The simulation can be conducted online, in a variety of ways. One variation would be to conduct it in a text-based environment. This can be created within any one of the learning management systems (LMS) most universities employ. Instructors can create a discussion forum for asynchronous participation by all parties, as well as provide private forums for groups or teams requesting to caucus between themselves. Some LMS allow students to create forums on their own, in which case participants can create a forum and grant access to particular others. Parties can also caucus along the sidelines through other methods that are often embedded within LMS – email, videoconferencing or instant messaging applications.

Another variation is to conduct the main part of the simulation via live, synchronous, videoconferencing. For this purpose, instructors will require access to a videoconferencing platform with the capacity for supporting a large number of participants at the same time. The instructor might facilitate who has the floor (and the microphone and camera) for speaking at any given point, or hand this capacity over to the chair of the Council of the EU meeting. As the forum convenes on camera, parties can converse with one another through text-based synchronous means – either those usually included in videoconferencing software, or other, separate, applications.<sup>18</sup>

#### 3(b) Debriefing Guide

Providing a comprehensive map for debriefing *Negotiation Mandate for a Free Trade Agreement* (FTA) with Tradeland simulation is virtually impossible, due to the varied training goals it is designed to serve and the infinite paths of unfolding it allows for. In this section, after suggestions for setting up and initiating the debrief session, some recommendations for conducting it are provided. However, the topical questions – or the list of topics– provided in this section are is not in any way meant to provide an exhaustive list of questions or discussion-

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<sup>&</sup>lt;sup>18</sup>For a full discussion of conducting negotiation and conflict resolution simulations online, see Matz, D. & Ebner, N. (2010). <u>Using role-play in online negotiation teaching</u>. In C. Honeyman, J. Coben & G. DiPalo (Eds.) *Venturing Beyond the Classroom: Vol. 2 in the Rethinking Negotiation Teaching Series*. St Paul: DRI Press. Available at https://papers.ssrn.com/sol3/papers.cfm?abstract\_id=1916792

<sup>&</sup>lt;sup>19</sup>For in-depth discussion of debriefing negotiation and dispute resolution simulation-games, see Deason, Efron, Howell, Kaufman, Lee & Press (2013). Debriefing the Debrief. In C. Honeyman, J. Coben & A. Wei-Min Lee (Eds.), *Educating Negotiators for a Connected World: Volume 4 in the Rethinking Negotiation Teaching Series.* St Paul, MN: DRI Press. Available at: <a href="http://papers.ssrn.com/sol3/papers.cfm?abstract\_id=2251940">http://papers.ssrn.com/sol3/papers.cfm?abstract\_id=2251940</a>.

themes. Instructors using the simulation are encouraged to consider their own learning objectives, the context and framework in which the simulation is being conducted, participants' learning habits and the teacher's own style – and come up with questions and themes of their own.

# 3(b)1. Encourage Ventilation

The main challenge in debriefing a simulation such as this one, is that after investing so much time and energy in-role, it is difficult for participants to detach from the role they had been playing and adopt a learning stance towards themselves and their experience. Left to their own devices, they will continue to conduct some form of negotiation throughout the debrief process. To avoid this, you might allow a few minutes for free ventilation. While this is going on, stress that the game is over, the negotiation is over, and that they can let things go rather than carry the in-game negotiation into the debrief session.

#### **3(b)2. Define Debriefing Goals**

Open the learning phase of the debrief by calling the group's attention to yourself, and briefly explaining the goals of the debrief. Explain that debriefing is an opportunity to transform the participants' simulation-experience into practical lessons to take away. State clearly what you hope to gain from this experience (e.g., 'Let's try to understand how the Council of the EU *really* functions, particularly with regards to highly charged topics;' or 'Let's aim for a clear picture of how we have improved our negotiation / problem-solving skills'.')

#### 3(b)3. From Outcome to Process

Begin the debrief by reviewing the negotiation mandate decided by vote within the Council of the EU, if such an outcome has been reached. If no vote passed by the required majority, review the issues that seemed to be under wide consensus, those that were backed by smaller coalitions, and finally those that ultimately led to impasse. Use inclusive language, referring to the group as a whole (e.g., 'We' or 'you all') as you do so. Then, state that the debriefing will cast back in the process, in order to understand how the final outcome was reached. This is done mainly to allow participants still engrossed in the game in their minds to mentally join the group, and to stress in general the joint-but-separate experience of the group and of each individual participant, transforming them back into one large learning-group. For most of the remainder of the debrief, focus will be less on the outcome and more on the process; it is helpful to touch on outcome - and then set them aside - right at the start.

#### **3(b)4. Focus on Training Goals**

Here are some suggestions for questions you may use in order to highlight the particular training goals you set for the simulation:

<u>Training Goal: Learning about the decision-making procedures and processes of the Council of the EU</u>

• What is your opinion of the protocol for conducting Council of the EU meetings? Is it helpful? Constructive? Fair?

- In your experience, what seemed to be the most effective times and forums for developing agreement? (e.g., plenary sessions, informal caucuses, formal caucuses, break-out groups, negotiations during the breaks)?
- What role did the chair of the Council of the EU (the Minister of Trade of the Member-State holding the rotating Presidency of the Council of the EU) play? The European Commissioner for Trade? Was their work coordinated? Was it effective?
- Council of the EU meetings are usually short meetings. Did time pressure play a role in your negotiation behavior? In reaching final agreement?
- Did coalitions try to apply any leverage in their communication with the chair?
- Did the chair try to promote their own agenda, in addition to facilitating the discussions?
- Did the upcoming voting process tend to facilitate reaching broad consensus on issues during the negotiation phase? Or did parties seem to assume that they could pass measures through by voting without securing agreement?
- What other topics would you like to see negotiated within future Council of the EU simulations?

# Training Goal: Negotiation Skills

Consider asking some of these questions, focusing on the way the participants playing the country delegates handled their role. Choose questions and encourage discussion according to the level of competence and confidence of the parties, according to their performance and according to your pre-set targeted skill-set (e.g., analytical grasp of the situation, strategizing ability, trust- and relationship- building, creativity, interpersonal communication skills, ability to cope with ethical dilemmas, pie-expanding, etc.):

- How would the parties define their overall strategy, when they first walked in to the joint discussion (help participants frame a short strategic definition of their strategic state of mind, such as "working cooperatively" or "asking for as much as I can, and then asking for more").
- Did parties adhere to this strategy throughout the negotiation? If their strategy changed, was it done consciously, or as an intuitive / instinctive shift? What triggered such change?
- Did parties' search for options (or the final agreement) focus on elements that were very much on the table, or were attempts made to expand the pie?
- What communication tools did the parties use throughout the discussions? Was it difficult to utilize these techniques? Why?
- Did any communication problems arise over the course of the negotiations? What was their source? How did the parties address them?
- Was an atmosphere of trust created between the parties? What contributed to this, or challenged this?
- Did use of particular communication tools assist trust-building?
- Did parties share information openly, or did they play their cards close to their chests?

- What behavior or circumstances proved conducive to information sharing, and what behavior or circumstances were inhibitive?
- Do parties feel that their relationship shifted at different stages of the negotiation? How would they describe these shifts? What do they think triggered and enabled them?
- Ask participants to name particular negotiation tactics they saw other participants employ successfully.
- What warnings, ultimate, or threats, did parties issue? What were their effects?
- If an early vote failed to pass, and parties resumed negotiations: Were these subsequent negotiations different, in any significant ways, than the initial discussions?

### Training Goal: Team Negotiation and Multiparty Negotiation

#### Coalitions:

- Did coalitions form between parties, or between groups of parties, to attain leverage vis-a-vis others parties or groups of parties? How did this come to be? How did parties go about looking for allies?
- Following up on the previous question: Did coalitions form on specific issues between two of the parties, and on others between different partners? What effect (if any) did this have on the negotiations?
- Did any party feel they had to try and break up a coalition formed by the other two parties?
- Did members of any group of countries assume they were "all on the same team" going into the negotiation? Was this perception shaken up at a later stage of the negotiation process? What effect (if any) did this have on the negotiations?
- Can participants identify tacit or explicit coalitions formed between two or more of their opposing countries? How did this affect the negotiations?

#### Process Management:

- Were process-management rules entirely dictated by the chair, or did parties seek to affect or alter them? Such rules include:
- 1. Ground rules: What are the seating arrangements? Are interruptions permitted? Can parties consult with others?
- 2. Communication Rules: What order do parties speak in? How long does everybody get to express him/herself? Can parties shout at each other?

Decision-making rules: How is the vote cast, and how are outcomes determined? *Leadership:* 

- What challenges did the chair face, in shepherding this multiparty process?
- Beyond the chair role did any country representative take a conspicuously leading role in the negotiations? What gave him/her the legitimacy to do this, in the eyes of the other participants? What did this leader use this power for? Did other participants take the lead at

different points during the process? If there had been a previously dominant player – did s/he relinquish control, or struggle to retain it?

# <u>Training Goal: Mediation / Conflict Resolution Skills:</u>

Consider asking some of these questions, focusing on the way the participants playing the European Commissioner for Trade and the chair of the Council of the EU meeting, handled their roles. Choose questions and allow discussion according to the level of competence and confidence of those playing these facilitative roles, based on their performance and according to your pre-set desired skill-set (e.g., trust-building, relationship-building, grasp of the structure of the facilitating process, creativity, dealing with ethical dilemmas, confidence boosting, etc.). [Note that while the questions focus on the chair, they can include actions of the European Commissioner for Trade.]

- Did the chair of the meeting explain the process to the parties in a clear manner? How did this affect the process?
- What did the chair do in order to help parties get all the necessary information on the table?
- Was the chair successful in building an atmosphere of trust around the table? How did they do this (or what might they have done, but did not)?
- How did the chair react in challenging situations (such as: parties interrupting each other, parties attacking each other, parties attacking the chair, party walk-outs, etc.)?
- Do parties feel that the chair acted in a neutral and impartial manner? Did the chair deal explicitly with issues of neutrality and impartiality? Can the chair comment on ways in which they felt parties were trying to win them over to their side?
- What does the chair view as the largest obstacle they had to face during this simulation? What were some of the tools they used to overcome it?
- Does the chair feel they managed the process 'by the book' moving from one stage of the model they learned to the next in a conscious and controlled manner? Do they feel that the structured process they tried to manage sometimes got wrested away from them or 'hijacked' (by the parties or by circumstances)? How did they react?
- What did the chair do in order to help parties face their problems constructively?
- Does the chair feel their information and preparation posed challenges to their ability to maintain neutrality? Did parties experience a sense of neutrality from the chair?
- How did the process of problem solving and searching for options begin? Did the chair take an active role in generating or evaluating options for agreement? What effect did this have on the process? What might have been done differently?
- Did the search for options (or the final agreement) focus on the elements that were very much on the table, or were attempts made to expand the pie? What was the chair's role in this?
- Did the chair decide when to bring issues to a vote? If so, how was this decision made? If not which countries brought about the vote and how did they convince the chair to do so?
- In addition to the chair did any of the country representatives find themselves mediating between other countries or country groups?

# <u>Training Goal: Understanding of Intra-European Union Conflict and Collaboration</u>

- How did your preparation for your assigned role help you during the negotiation?
- What have participants learned regarding the complexity of trying to determine foreign policy by means of an internal negotiation and decision making process?
- Did any participant enter the simulation with a predetermined solution to the anticipated conflict, or major elements thereof? Have they changed their minds, or reconsidered the applicability of their solution, as a result of participating in the simulation?
- What do participants have to say regarding the effectiveness, the desirability and the long- and short- term effects of unilateral moves by one side to a conflict?
- Do participants view the situation through a primary lens of power disparity? Did this view shift during the simulation?
- Did participation in the simulation enable participants to appreciate new ideas which might be transferable to real-life issues under debate in the real world of EU policymaking? What ideas, in particular, piqued their interest?
- Have participants encountered a newfound appreciation for another party to the situation whom they might have felt (walking into the simulation) highly opposed to? Or, conversely, did they find that their preconceptions on this issue were strengthened by their experience? How would they portray and explain this transformation, or lack thereof?

#### Training Goal: Understanding the Free Trade Agreement (FTA) Issue

- What are the major benefits and costs of an FTA between the EU and a 3<sup>rd</sup> party?
- What trade issues are generally negotiated for a FTA?
- Discuss some of the processes that Member states go through as they implement an FTA between the EU and a 3<sup>rd</sup> party. What benefits do they reap, and what challenges do they encounter?
- What are some of the lessons you've learned about the complexity of negotiating the mandate for an FTA in the Council of the EU? What are some comparisons between the European Union and the United States regarding mandate negotiations for an FTA?

#### **3(b)5. Post-simulation learning activities**

Learning does not necessarily end with the debriefing, especially if the simulation is conducted in the framework of an academic course; instructors can assign follow-on work for further learning. In particular, teachers concerned that their students are not sufficiently familiar with learning through the experiential learning model, owing to practices of their field or cultural considerations, might supplement the simulation with a more "traditional" learning and/or assessment project. Teachers might assign participants to write a paper before the simulation, in which they will develop a plan for their activities during the negotiation. In addition, after the simulation, a reflection paper, or some other assignment, could be assigned regarding their experience or particular elements thereof.

# 4. Information Material for Participants

On the following pages, you will find the private information sheets for the simulation's 29 roles.

- 1) Private Instructions for Austria
- 2) Private Instructions for Belgium
- 3) Private Instructions for Bulgaria
- 4) Private Instructions for Croatia
- 5) Private Instructions for Cyprus
- 6) Private Instructions for Czech Republic
- 7) Private Instructions for Denmark
- 8) Private Instructions for Estonia
- 9) Private Instructions for Finland
- 10) Private Instructions for France
- 11) Private Instructions for Germany
- 12) Private Instructions for Greece
- 13) Private Instructions for Hungary
- 14) Private Instructions for Ireland
- 15) Private Instructions for Latvia
- 16) Private Instructions for Lithuania
- 17) Private Instructions for Luxembourg
- 18) Private Instructions for Italy
- 19) Private Instructions for Malta
- 20) Private Instructions for Netherlands
- 21) Private Instructions for Poland
- 22) Private Instructions for Portugal
- 23) Private Instructions for Romania
- 24) Private Instructions for Spain
- 25) Private Instructions for Slovenia
- 26) Private Instructions for Slovakia
- 27) Private Instructions for Sweden
- 28) Private Instructions for United Kingdom
- 29) Private Instructions for European Commission President<sup>20</sup>

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<sup>&</sup>lt;sup>20</sup> The order of the roles follows the protocol order for the seating of the EU Member states according to the original name of the countries in the respective official languages as stated on <a href="http://publications.europa.eu/code/pdf/370000en.htm">http://publications.europa.eu/code/pdf/370000en.htm</a>

#### **Instructions for the Austrian Trade Minister**

You are representing the government of Austria in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group, which Austria belongs to, includes states believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field - in terms of social, fiscal and environmental norms – would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

A second group is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A third group of states includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A fourth group of states is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the green light for negotiations to begin. Such requests might include, for example, visa

liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

Taking these approaches into account you can expect that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. Some other issues that may arise include:

- 1) Should the agreement be sweeping, or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees can EU members with export-driven economies give to members with less competitive economies, with regards to mitigating the potential negative effects of the trade agreement on the latter, particularly in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As the Austrian representative, you understand that an FTA with Tradeland is largely against your interests. You already have a working relationship with Tradeland across several sectors; an all-inclusive agreement negotiated by the European Union will cause more harm to Austria than benefit. Economists predict that an agreement will cause only a marginal increase in your GDP; this is not sufficient to compensate for its downsides. Particular concerns have been raised regarding the agricultural products market -one of the flagship sectors of the Austrian economy which respects a large set of regulations under the Common Agricultural Policy. Tradeland's enterprises might challenge Austrian and EU policies if they feel that regulations put them at a disadvantage. Several polls have shown that the Austrian people are against the agreement, believing that it will benefit big firms, whilst harming the interests of workers and consumers and downgrading your agricultural quality standards. You are also very concerned about the tourism industry – a major part of your economy; you envision Tradeland tourism companies putting local tourism companies out of business and showing little respect for the environmentally-friendly tourism you have developed. Finally, you perceive - as do other countries in your group -that the liberalization of digital services could lead to a frontal attack on the cultural uniqueness of your country, and that of the European Union. Thus far, you have unofficially kept a hard line rejecting the notion of a trade agreement altogether; however, it will be difficult to continue to do so under pressure from other countries. Nonetheless, as different countries may desire different degrees of engagement and types of agreement, you should try to explore their interests and differences and attempt to make the best out of the situation.

# Your main objectives are to:

- ➤ Make sure that any FTA with Tradeland will be minimal, applying to as few economic activities/sectors as possible;
- > Secure explicit commitments that the key sectors of your industry will not be threatened by the agreement;

- Make sure that the Council's discussion focuses on the topics that are high on your agenda (as discussed above)
- ➤ Minimize any agreement's impact on the liberalization of digital services, at the very least by allowing for a long adjustment period
- > Secure specific guarantees, from the countries that are in favor of an all-inclusive agreement, that the EU will actively help Member states deal with negative effects attributed to the signing of the FTA with Tradeland
- Ensure that any agreement will take into consideration the protection of civil and social rights in the EU, as well as its current environmental and health standards
- Make sure that the agreement includes specific measures for minimizing the influence that Tradeland's lobbies could develop in the future

With these points in mind, you are going to negotiate - within the Council of the European Union — the mandate to be given to the European Commission for negotiating the FTA with Tradeland. Given that the Commission cannot focus on all the aspects negotiated within the Council in this simulation, the Member states of the Council will only frame and forward three major interests that it requires the Commission negotiators to focus on in their negotiations with Tradeland. To clarify: the negotiation you are about to partake in is a European-internal negotiation; you are not negotiating with Tradeland. The outcome of your negotiation will delineate the mandate to be given to the European Commission negotiators, who will conduct an external negotiation with Tradeland on behalf of the EU. During the actual negotiations with Tradeland you will not have a representative at the negotiation table as the European Commission will be the party negotiating the deal. You (as the Council) will receive reports and updates as the negotiations progress, however, you will not be conducting them on your own. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

If the Council does ultimately decide to grant the Commission a mandate to negotiate a trade agreement with Tradeland, you would expect this negotiation to be a lengthy, slow, process. Time is not an issue to you and there is certainly no need to speed things up. At the same time, you would also expect regular updates to be provided by the Commission, detailing any progress made in the negotiations with Tradeland. Such updates would reflect whether your interests are being served well. You should suggest that once the negotiations between the European Commission and Tradeland begin, the Council should receive progress briefing every month.

# **Instructions for the Belgian Trade Minister**

You are representing the government of Belgium in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group of states, which is the one Belgium is also part of, is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

A second group is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A third group of states includes those believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field in terms of social, fiscal and environmental norms — would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

In addition, there is a group of states that includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the green light for negotiations to begin. Such requests might include, for example, visa liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As the Belgian representative you understand that overall, a FTA with Tradeland will have a positive impact on your economy. Your long history of free trade on which Belgium's wealth was built on and continues to thrive make you a strong supporter of this FTA, but with some concerns about food regulations (you are against GMOs and growth hormones in meat), the environment, consumer protection and labor rights. More specifically the agreement is expected to add a bit less than 0.5% to your annual GDP, and definitely increase FDI from Tradeland to Belgium. Tradeland is already the fifth largest trade partner for your country, so you can see many reasons to support the FTA between the EU and Tradeland. At the same time, you understand that in order to make the best out of the situation you have to provide protection to specific Belgian products that are currently under "protected designation of origin" status, based on EU regulation 2081/92, and following related regulations. In your case these would include, for instance, the famous Belgian beers. The protection of these products is of immense importance to you, as they constitute your comparative advantage against more industrialized countries, while contributing to your tourism sector. However, you are very much in favor of having Tradeland open their shipyards and shipping industry, as you house some of the largest shipyards in the world in Antwerp and Bruges-Zeebrugge and thus have a competitive advantage. You are also in favor of having Tradeland open its borders to a more liberal free trade of diamonds, as you house in Antwerp, the largest diamond trade market in the world. You realize that you will have to compromise on some of these sectors as only 3 interests can be forwarded to the Commission. However, you do need to keep in mind the focus on maintaining the environmental protection of the higher standards for your products as well as the high level of labor rights your workers enjoy, while promoting the opening of Tradeland's markets especially for these products.

Your main objectives are to:

- Make sure that an FTA with Tradeland will be targeted in a way that does not harm key national interests
- Ask for specific guarantees regarding products under "protected designation of origin" status
- Make a strong case against GMOs and secure their exclusion from the agreement
- ➤ Raise your concerns regarding established consumer and labor rights, and secure that they are adequately protected. Any agreement should take into serious consideration the civil and social rights in the EU, as well as the current environmental and health standards
- > Secure explicit commitments that the\_key sectors of your industry will not be threatened by the agreement
- ➤ Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)
- Make sure that the agreement includes specific measures for minimizing any potential influence that Tradeland's lobbies could develop in the future

With these points in mind, you are going to negotiate - within the Council of the European Union — the mandate to be given to the European Commission for negotiating the FTA with Tradeland. Given that the Commission cannot focus on all the aspects negotiated within the Council in this simulation, the Member states of the Council will only frame and forward three major interests that it requires the Commission negotiators to focus on in their negotiations with Tradeland. To clarify: The negotiation you are about to partake in is a European-internal negotiation; you are not negotiating with Tradeland. The outcome of your negotiation will delineate the mandate to be given to the European Commission negotiators, who will conduct an external negotiation with Tradeland on behalf of the EU. During the actual negotiations with Tradeland you will not have a representative at the negotiation table as the European Commission will be the party negotiating the deal. You (as the Council) will receive reports and updates as the negotiations progress, however, you will not be conducting them on your own. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement is signed as soon as possible. You should suggest that once the Council gives the European Commission the official permission to open negotiations with Tradeland based on the guidelines the Council agrees upon, this permission should be considered final and no revision of the process should be asked by the Member states in between. This would only cause delays and complications in the process.

### **Instructions for the Bulgarian Trade Minister**

You are representing the government of Bulgaria in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group, which is the one Bulgaria is also part of, consists of a small group of countries that seem to be neutral to a possible agreement. However, they are expected to take advantage of the situation and, ask for compensations in order to give the green light for the negotiations to start. These issues might, for instance, include visa liberalization from Tradeland's part, which at the moment does not apply a uniform visa policy towards all EU Member states. The issue of visas is your most important goal that you want to bring up, as your country's citizens cannot travel to Tradeland without visas.

A second group is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A third group of states includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A fourth group of states is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These

states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a group of countries includes those believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field in terms of social, fiscal and environmental norms — would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As Bulgaria, you know this FTA will not benefit your companies very much, if at all. You are concerned with the impact on SMEs, as well as on agriculture issues. You are neutral towards a FTA with Tradeland (maybe slightly against), but want instead a true common market within the EU. You think that the EU should focus even more on helping the poorer economies to catch up with the most developed economies of the EU, rather than putting their young economies at risk by signing a FTA with Tradeland. You are also well aware that some labor unions within your country are already worried that there will be job cuts in Bulgarian companies in order to make them even more competitive against the companies of Tradeland. Overall public support towards a FTA is neutral compared to the EU average. You do not want this trade deal to divide the EU too much, and you are willing to consider it, as long as there are clear safety nets included for the poorer economies of the EU Member states, like yours. This could come in the form of more structural funds or funds to increase the competitiveness of Bulgarian goods and services within the EU market. Time is also of importance – as your companies need time to be shielded from competition from Tradeland's companies, in order to grow and become globally competitive. With the correct incentives from the other EU Member states you are willing to agree with this FTA. One such incentive could be convincing the government of Tradeland to lift the visa requirements for your citizens going to travel to Tradeland.

### Your main objectives are to:

➤ Make a strong point that EU integration is a priority over finding new trade partners, hence the discussion should also focus on how to help weaker European economies

- ➤ Secure specific guarantees that EU members with less-competitive economies will be protected against any negative impacts of the FTA
- ➤ Make sure that an adjustment period will be foreseen in order for your companies to adjust to the new reality
- > Secure the lifting of visa requirements imposed by Tradeland towards any member-state
- Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)
- Make sure that the agreement includes specific measures for minimizing any potential influence that Tradeland's lobbies could develop in the future

With these points in mind, you are going to negotiate - within the Council of the European Union — the mandate to be given to the European Commission for negotiating the FTA with Tradeland. Given that the Commission cannot focus on all the aspects negotiated within the Council in this simulation, the Member states of the Council will only frame and forward three major interests that it requires the Commission negotiators to focus on in their negotiations with Tradeland. To clarify: The negotiation you are about to partake in is a European-internal negotiation; you are not negotiating with Tradeland. The outcome of your negotiation will delineate the mandate to be given to the European Commission negotiators, who will conduct an external negotiation with Tradeland on behalf of the EU. During the actual negotiations with Tradeland you will not have a representative at the negotiation table as the European Commission will be the party negotiating the deal. You (as the Council) will receive reports and updates as the negotiations progress, however, you will not be conducting them on your own. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement, if signed, will allow you to gain something your country needs (lifting visas, some incentives for shielding your companies from the negative effects of the FTA etc.). But, if the agreement is to go forward with these negotiations, you should suggest that once the Council gives the European Commission the official permission to open negotiations with Tradeland based on the guidelines the Council agrees upon, this permission should be reviewed every couple of months, to make sure the Commission is truly representing the mandate given to it by the Council of the EU.

### **Instructions for the Croatian Trade Minister**

You are representing the government of Croatia in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group, which is the one Croatia is also part of, consists of a small group of countries that seem to be neutral to a possible agreement. However, they are expected to take advantage of the situation and, ask for compensations in order to give the green light for the negotiations to start. These issues might, for instance, include visa liberalization from Tradeland's part, which at the moment does not apply a uniform visa policy towards all EU Member states. The issue of visas is your most important goal that you want to bring up, as your country's citizens cannot travel to Tradeland without visas.

A second group is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A third group of states includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A fourth group of states is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These

states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a group of countries includes those believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field in terms of social, fiscal and environmental norms — would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As Croatia, you know this FTA will not benefit your companies very much, and it is expected that a signed agreement with Tradeland will only benefit a few sectors of the economy. You are more in favor of this FTA than some other countries from your group who also ask the lifting of visas from Tradeland towards their citizens. You are concerned with the impact on agriculture and environmental issues and you want to make sure that this FTA will have enough safety checks so that the environment will not be polluted even more (you are well aware that the environmental policies in your country and throughout the EU are significantly tougher than in Tradeland). You are neutral (maybe even slightly in favor) towards an FTA with Tradeland, but you want to first fully integrate within the EU common market. You think that the EU should focus even more on helping the poorer economies to catch up with the most developed economies of the EU, rather than putting their young economies at risk by signing a FTA with Tradeland. You are also well aware that some labor unions within your country are already worried that there will be job cuts in Croatian companies in order to make them even more competitive against the companies of Tradeland. Overall public support towards the FTA is neutral compared to the EU average. You do not want this trade deal to divide the EU too much, and you are willing to consider it, as long as there are clear safety nets included for the poorer economies of the EU Member states, like yours. This could come in the form of more structural funds or funds to increase the competitiveness of Croatian goods and services within the EU market. Time is also of importance – as your companies, especially the SMEs need time to be shielded from competition from Tradeland's companies, in order to grow and become globally competitive. With the correct incentives from the other EU Member states you are willing to

agree with this FTA. One such incentive could be convincing the government of Tradeland to lift the visa requirements for your citizens going to travel to Tradeland.

# Your main objectives are to:

- ➤ Make a strong point that EU integration is a priority over finding new trade partners, hence the discussion should also focus on how to help weaker European economies
- > Secure specific guarantees that EU members with less-competitive economies will be protected against any negative impacts of the FTA
- > Any agreement should take into serious consideration the civil and social rights in the EU, as well as the current environmental and health standards
- > Secure the lifting of visa requirements imposed by Tradeland towards any member-state
- ➤ Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)
- Make sure that the agreement includes specific measures for minimizing any potential influence that Tradeland's lobbies could develop in the future

With these points in mind, you are going to negotiate - within the Council of the European Union — the mandate to be given to the European Commission for negotiating the FTA with Tradeland. Given that the Commission cannot focus on all the aspects negotiated within the Council in this simulation, the Member states of the Council will only frame and forward three major interests that it requires the Commission negotiators to focus on in their negotiations with Tradeland. To clarify: The negotiation you are about to partake in is a European-internal negotiation; you are not negotiating with Tradeland. The outcome of your negotiation will delineate the mandate to be given to the European Commission negotiators, who will conduct an external negotiation with Tradeland on behalf of the EU. During the actual negotiations with Tradeland you will not have a representative at the negotiation table as the European Commission will be the party negotiating the deal. You (as the Council) will receive reports and updates as the negotiations progress, however, you will not be conducting them on your own. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement, if signed, will allow you to gain something your country needs (lifting visas, some incentives for shielding your companies from the negative effects of the FTA etc.). But, if the agreement is to go forward with these negotiations, you should suggest that once the Council gives the European Commission the official permission to open negotiations with Tradeland based on the guidelines the Council agrees upon, this permission should be reviewed every couple of months, to make sure the Commission is truly representing the mandate given to it by the Council of the EU.

# <u>Instructions for the Cypriot Trade Minister</u>

You are representing the government of Cyprus in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group, which is the one Cyprus is also part of, consists of a small group of countries that seem to be neutral to a possible agreement. However, they are expected to take advantage of the situation and, ask for compensations in order to give the green light for the negotiations to start. These issues might, for instance, include visa liberalization from Tradeland's part, which at the moment does not apply a uniform visa policy towards all EU Member states. The issue of visas is your most important goal that you want to bring up, as your country's citizens cannot travel to Tradeland without visas.

A second group is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A third group of states includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A fourth group of states is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these

may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a group of countries includes those believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field in terms of social, fiscal and environmental norms — would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As Cyprus, you know this FTA will not benefit your companies very much and it is expected that a signed agreement with Tradeland will only benefit a handful of large firms in the shipping sector. You are concerned with the impact on SMEs, as well as on agriculture and environmental issues and you want to make sure that this FTA will have enough safety checks so that the environment will not be polluted even more (you are well aware that the environmental policies in your country and throughout the EU are significantly tougher than in Tradeland). You are neutral (maybe even slightly against) towards a FTA with Tradeland, but want instead a true common market within the EU. You are also well aware that some labor unions within your country are already worried that there will be job cuts in Cypriot companies in order to make them even more competitive against the companies of Tradeland. Overall public support towards the FTA is neutral compared to the EU average. You do not want this trade deal to divide the EU too much, and you are willing to consider it, as long as there are clear safety nets included for the small-scale economies in the EU, like yours. Time is also of importance – as your companies need time to be shielded from competition from Tradeland's companies, in order to grow and become globally competitive. With the correct incentives from the other EU Member states you are willing to agree with this FTA. One such incentive could be convincing the government of Tradeland to lift the visa requirements for your citizens going to travel to Tradeland.

Your main objectives are to:

- Make a strong point that EU integration is a priority over finding new trade partners, hence the discussion should also focus on how to help weaker European economies
- > Secure specific guarantees that small states will be protected against any negative impacts of the FTA
- ➤ Make sure that an adjustment period will be foreseen in order for your companies to adjust to the new reality
- > Secure that any agreement will take into serious consideration the civil and social rights in the EU, as well as the current environmental and health standard
- > Secure the lifting of visa requirements imposed by Tradeland towards any member-state
- ➤ Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)
- Make sure that the agreement includes specific measures for minimizing any potential influence that Tradeland's lobbies could develop in the future

With these points in mind, you are going to negotiate - within the Council of the European Union — the mandate to be given to the European Commission for negotiating the FTA with Tradeland. Given that the Commission cannot focus on all the aspects negotiated within the Council in this simulation, the Member states of the Council will only frame and forward three major interests that it requires the Commission negotiators to focus on in their negotiations with Tradeland. To clarify: The negotiation you are about to partake in is a European-internal negotiation; you are not negotiating with Tradeland. The outcome of your negotiation will delineate the mandate to be given to the European Commission negotiators, who will conduct an external negotiation with Tradeland on behalf of the EU. During the actual negotiations with Tradeland you will not have a representative at the negotiation table as the European Commission will be the party negotiating the deal. You (as the Council) will receive reports and updates as the negotiations progress, however, you will not be conducting them on your own. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement, if signed, will allow you to gain something your country needs (lifting visas, some incentives for shielding your companies from the negative effects of the FTA, a deal about the shipping industry etc.). But, if the agreement is to go forward with these negotiations, you should suggest that once the Council gives the European Commission the official permission to open negotiations with Tradeland based on the guidelines the Council agrees upon, this permission should be reviewed every couple of months, to make sure the Commission is truly representing the mandate given to it by the Council of the EU.

### **Instructions for the Czech Trade Minister**

You are representing the government of Czech Republic in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group - which Czech Republic belongs to, includes states believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field - in terms of social, fiscal and environmental norms – would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

A second group is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A third group of states includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A fourth group of states is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy

is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the green light for negotiations to begin. Such requests might include, for example, visa liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As the Czech representative you understand that an FTA with Tradeland could be against some of your interests. You already have a working relationship with Tradeland that touches a number of different sectors, and an all-inclusive agreement negotiated by the European Union could well do more harm to the Czech Republic rather than benefit it. Economists predict that your GDP will only marginally increase (0.0%-0.1%) due to the side effects of an agreement, while, there are a lot of downsides as well. First, your government already has significant concerns on the loss of national sovereignty that being a member of the EU implies. An all-inclusive agreement with Tradeland would undermine the jurisdiction of Czech courts in disputes that refer to crossborder trading. However, you are all in favor of the large-scale commercial use of GMOs (as a matter of fact you are one of the strongest proponents of the use of GMOs within the EU). You are also not sure if local firms will be able to withstand the steep rise of competition, caused by an FTA between two of largest global economies. Finally, you perceive, in a similar fashion with other countries from your group, that the liberalization of digital services could lead to a frontal attack on the cultural exceptionality of your country, and of the European Union. Until now you have unofficially kept a moderately hard line questioning the focus of the deal altogether, but it might be difficult to continue doing so under the pressure of other countries. You want the FTA to be focused on issues of climate change, tax evasion, and ways to support start-ups and technological innovation. Nonetheless, as different countries may want different degrees/types of agreement, you should try to explore their differences and make the best out of the situation.

# Your main objectives are to:

- Make sure that an FTA with Tradeland will be as minimal as possible, applying only to the activities/sectors that will favor your economy
- > Secure explicit commitments that the key sectors of your industry will not be threatened by the agreement
- Make a strong case in favor of GMOs and secure GMOs inclusion in the final agreement
- ➤ Minimize agreement's impact on the liberalization of digital services, at the very least push for a long adjustment period
- Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)
- ➤ Secure specific guarantees, especially from the countries that are in favor of an allinclusive agreement, that the EU will actively help Member states deal with the negative effects attributed to the signing of the FTA with Tradeland
- ➤ Insist that any agreement will take into serious consideration the civil and social rights in the EU, as well as the current environmental and health standards
- Make sure that the agreement includes specific ways for minimizing any potential influence that Tradeland's lobbies could develop in the future

With these points in mind, you are going to negotiate - within the Council of the European Union — the mandate to be given to the European Commission for negotiating the FTA with Tradeland. Given that the Commission cannot focus on all the aspects negotiated within the Council in this simulation, the Member states of the Council will only frame and forward three major interests that it requires the Commission negotiators to focus on in their negotiations with Tradeland. To clarify: The negotiation you are about to partake in is a European-internal negotiation; you are not negotiating with Tradeland. The outcome of your negotiation will delineate the mandate to be given to the European Commission negotiators, who will conduct an external negotiation with Tradeland on behalf of the EU. During the actual negotiations with Tradeland you will not have a representative at the negotiation table as the European Commission will be the party negotiating the deal. You (as the Council) will receive reports and updates as the negotiations progress, however, you will not be conducting them on your own. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

If the Commission does get the mandate to negotiate a trade agreement with Tradeland, then you would expect this to be a long and slow process. Time is not an issue to you and definitely there is no need to hurry things up. At the same time, you would also expect that regular updates are provided by the Commission, which would describe the process that far. That would give you an idea of how the negotiation is going and if your interests are served well. You should suggest

that once the negotiation between the European Commission and Tradeland's delegation begin, there should be a bi-monthly progress briefing to the Council.

# **Instructions for the Danish Trade Minister**

You are representing the government of Denmark in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group of states, which is the one Denmark is also part of, is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

A second group is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A third group of states includes those believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field in terms of social, fiscal and environmental norms — would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

In addition, there is a group of states that includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the green light for negotiations to begin. Such requests might include, for example, visa

liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As Denmark, you know this FTA will benefit your companies very much, especially in the areas of agriculture, pharmaceutical, shipping companies and the green, environmentally friendly sectors of the economy. On the issue of agriculture, you want to protect your farmers but in the same time you have the ability to expand your agro-business industry to Tradeland. The big business lobby within your own country is strongly in favor of such an FTA with a long, stable ally like Tradeland. You are concerned with environmental issues and you want to make sure that this FTA will have enough safety checks so that the environment will not be polluted even more (you are well aware that the environmental policies in your country and throughout the EU are significantly tougher than in Tradeland). You want an overall FTA focus only on goods and services, but you are strongly against a harmonization of regulations (labor rights, consumer protection, environmental rules) which will lead towards the lowest common denominator promoted by Tradeland. You are against regulations which will weaken labor unions, the healthcare system, the educational system and the overall social safety nets promoted by your country's welfare system.

### Your main objectives are to:

- Make sure that an FTA with Tradeland will be targeted in a way that does not harm key national interests
- > Put an effort so that harmonization of regulations is excluded from the final agreement
- ➤ Raise your concerns regarding established consumer and labor rights, and secure that they are adequately protected. Any agreement will take into serious consideration the civil and social rights in the EU, as well as the current environmental and health standards
- > Secure explicit commitments that the key sectors of your industry will not be threatened by the agreement
- Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)

➤ Make sure that the agreement includes specific measures for minimizing any potential influence that Tradeland's lobbies could develop in the future

Based on these points you are going to negotiate within the Council of the European Union which mandate to give the European Commission. Given that the Commission cannot focus on all the aspects negotiated within the Council in this simulation, the Member states of the Council should only forward 3 interests to the Commission negotiators to focus on in the negotiations with Tradeland. The negotiation is about the mandate to be given to the European Commission to negotiate in the name of the EU with Tradeland. This is not a negotiation with Tradeland.

You already know that during the negotiations with Tradeland you will not have a representative at the negotiation table as the European Commission will be the party negotiating the deal. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement is signed as soon as possible. You should suggest that once the Council gives the European Commission the official permission to open negotiations with Tradeland based on the guidelines the Council agrees upon, this permission should be considered final and no revision of the process should be asked by the Member states in between. This would only cause delays and complications in the process.

### **Instructions for the Estonian Trade Minister**

You are representing the government of Estonia in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group, which is the one Estonia is also part of, is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A second group includes states believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field - in terms of social, fiscal and environmental norms – would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

A third group of states includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A fourth group of states is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the green light for negotiations to begin. Such requests might include, for example, visa liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As Estonia, you know this FTA will benefit your companies very much, and it is expected that a signed agreement with Tradeland will benefit small, medium and large firms alike. You want an overall FTA which will not exclude too many areas that other EU Member states may fight to protect (e.g.: agriculture etc.). You are also very much in favor of opening up the energy market between Tradeland and the EU as your country wants to become less reliable on energy from Russia. Overall public support is higher compared to the EU average.

#### Your main objectives are to:

- Make sure that an FTA with Tradeland will be as inclusive as possible
- ➤ Make a strong case in favor of competition-driven growth, and refrain from making commitments to less competitive economies regarding mitigation of potential negative effects due to an FTA with Tradeland
- ➤ Insist that any agreement should guarantee the opening of the energy market
- ➤ Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)
- Make sure that the power of Tradeland's lobbies will not be exaggerated by some Member states with the purpose of adding limitations to a final agreement

With these points in mind, you are going to negotiate - within the Council of the European Union — the mandate to be given to the European Commission for negotiating the FTA with Tradeland. Given that the Commission cannot focus on all the aspects negotiated within the Council in this simulation, the Member states of the Council will only frame and forward three major interests that it requires the Commission negotiators to focus on in their negotiations with Tradeland. To clarify: The negotiation you are about to partake in is a European-internal negotiation; you are

not negotiating with Tradeland. The outcome of your negotiation will delineate the mandate to be given to the European Commission negotiators, who will conduct an external negotiation with Tradeland on behalf of the EU. During the actual negotiations with Tradeland you will not have a representative at the negotiation table as the European Commission will be the party negotiating the deal. You (as the Council) will receive reports and updates as the negotiations progress, however, you will not be conducting them on your own. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement is signed as soon as possible. You should suggest that once the Council gives the European Commission the official permission to open negotiations with Tradeland based on the guidelines the Council agrees upon, this permission should be considered final and no revision of the process should be asked by the Member states in between. This would only cause delays and complications in the process.

### **Instructions for the Finnish Trade**

You are representing the government of Finland in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group of states, which is the one Finland is also part of, is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

A second group is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A third group of states includes those believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field in terms of social, fiscal and environmental norms — would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

In addition, there is a group of states that includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the green light for negotiations to begin. Such requests might include, for example, visa liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As Finland, you know this FTA will benefit your companies very much, especially in the areas of shipping and shipyard companies and the paper producing companies. The big business lobby within your own country is strongly in favor of such an FTA with a long, stable ally like Tradeland. You are relatively concerned with environmental issues and you want to make sure that this FTA will have enough safety checks so that the environment will not be polluted even more (you are well aware that the environmental policies in your country and throughout the EU are significantly tougher than in Tradeland). But the environmental concerns can be a bargaining chip as you are more concerned about the economic growth of your country. You want an overall FTA focus only on goods and services, but you are strongly against a harmonization of regulations which will lead towards the lowest common denominator promoted by Tradeland. You are against regulations which will weaken labor unions, the healthcare system, the educational system and the overall social safety nets promoted by your country's welfare system.

#### Your main objectives are to:

- Make sure that an FTA with Tradeland will be targeted in a way that does not harm key national interests
- > Put an effort so that harmonization of regulations is excluded from the final agreement
- Raise your concerns regarding established consumer and labor rights, and secure that they are adequately protected. Any agreement will take into serious consideration the

- civil and social rights in the EU, as well as the current environmental and health standards
- > Secure explicit commitments that the\_key sectors of your industry will not be threatened by the agreement
- ➤ Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)
- Make sure that the agreement includes specific measures for minimizing any potential influence that Tradeland's lobbies could develop in the future

With these points in mind, you are going to negotiate - within the Council of the European Union — the mandate to be given to the European Commission for negotiating the FTA with Tradeland. Given that the Commission cannot focus on all the aspects negotiated within the Council in this simulation, the Member states of the Council will only frame and forward three major interests that it requires the Commission negotiators to focus on in their negotiations with Tradeland. To clarify: The negotiation you are about to partake in is a European-internal negotiation; you are not negotiating with Tradeland. The outcome of your negotiation will delineate the mandate to be given to the European Commission negotiators, who will conduct an external negotiation with Tradeland on behalf of the EU. During the actual negotiations with Tradeland you will not have a representative at the negotiation table as the European Commission will be the party negotiating the deal. You (as the Council) will receive reports and updates as the negotiations progress, however, you will not be conducting them on your own. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement is signed as soon as possible. You should suggest that once the Council gives the European Commission the official permission to open negotiations with Tradeland based on the guidelines the Council agrees upon, this permission should be considered final and no revision of the process should be asked by the Member states in between. This would only cause delays and complications in the process. You do want to emphasize you want national parliaments to be able to vote on this FTA Agreement, if it passes approval within the EU institutions, before it is put into place.

# **Instructions for the French Trade Minister**

You are representing the government of France in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group - which France belongs to, includes states believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field - in terms of social, fiscal and environmental norms – would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

A second group is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A third group of states includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A fourth group of states is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the green light for negotiations to begin. Such requests might include, for example, visa liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As the French representative you understand that an FTA with Tradeland is largely against your interests. You already have a working relationship with Tradeland that touches a number of different sectors, and an all-inclusive agreement negotiated by the European Union will do more harm to France rather than benefit it. Economists predict that your GDP will only marginally increase due to the side effects of an agreement, however, there are a lot of downsides as well. Particular concerns have been raised on the agricultural and dairy products markets, two of the flagship sectors of the French economy, which currently respects a large set of regulations under the Common Agricultural Policy. Similar concerns have been voiced for your automobile industry, which might face a stronger competition due to this agreement with Tradeland without strong prospects for more market access. Finally, you perceive, in a similar fashion with other countries from your group, that the liberalization of digital services could lead to a frontal attack on the cultural exceptionality of your country, and of the European Union. On top of all this as several polls have shown, the French people are against the agreement, as they believe that it will only benefit big firms, and will damage the interests of the workers and consumers. Until now you have unofficially kept a hard line denying the deal altogether, but it might be difficult to continue doing so under the pressure of other countries. Nonetheless, as different countries may want different degrees/types of agreement, you should try to explore their vis-à-vis differences

and make the best out of the situation. You are very interested in the liberalization of public procurement policies within Tradeland, especially in the areas of infrastructure building (highways, high speed railways, and trains) where German companies are global leaders. Italy and Germany share similar interests in terms of public procurement liberalization for infrastructure building.

### Your main objectives are to:

- ➤ Make sure that an FTA with Tradeland will be minimal, applying to as few economic activities/sectors as possible
- > Secure explicit commitments that the key sectors of your industry will not be threatened by the agreement
- ➤ Make a strong case against de-regularization of agricultural and dairy products and secure their exclusion from the final agreement
- ➤ Guarantee protection of your automobile industry
- > Insist that any agreement should guarantee the liberalization of public procurement policies within Tradeland
- Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)
- ➤ Secure specific guarantees, especially from the countries that are in favor of an allinclusive agreement, that the EU will actively help Member states deal with the negative effects attributed to the signing of the FTA with Tradeland
- ➤ Insist that any agreement will take into serious consideration the civil and social rights in the EU, as well as the current environmental and health standards
- Make sure that the agreement includes specific ways for minimizing any potential influence that Tradeland's lobbies could develop in the future

With these points in mind, you are going to negotiate - within the Council of the European Union — the mandate to be given to the European Commission for negotiating the FTA with Tradeland. Given that the Commission cannot focus on all the aspects negotiated within the Council in this simulation, the Member states of the Council will only frame and forward three major interests that it requires the Commission negotiators to focus on in their negotiations with Tradeland. To clarify: The negotiation you are about to partake in is a European-internal negotiation; you are not negotiating with Tradeland. The outcome of your negotiation will delineate the mandate to be given to the European Commission negotiators, who will conduct an external negotiation with Tradeland on behalf of the EU. During the actual negotiations with Tradeland you will not have a representative at the negotiation table as the European Commission will be the party negotiating the deal. You (as the Council) will receive reports and updates as the negotiations progress, however, you will not be conducting them on your own. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the

framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

If the Commission does get the mandate to negotiate a trade agreement with Tradeland, then you would expect this to be a long and slow process. Time is not an issue to you and definitely there is no need to hurry things up. At the same time, you would also expect that regular updates are provided by the Commission, which would describe the process that far. That would give you an idea of how the negotiation is going and if your interests are served well. You should suggest that once the negotiation between the European Commission and Tradeland's delegation begin, there should be a bi-monthly progress briefing to the council.

### <u>Instructions for the German Trade Minister</u>

You are representing the government of Germany in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group, which is the one Germany is also part of, is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A second group includes states believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field - in terms of social, fiscal and environmental norms – would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

A third group of states includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A fourth group of states is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the green light for negotiations to begin. Such requests might include, for example, visa

liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As Germany, you know this FTA will benefit your companies very much, especially in the areas of car industry, airlines, and pharmaceutical companies. The big business lobby within your own country is strongly in favor of such an FTA with a long, stable ally like Tradeland. You are concerned with environmental issues and you want to make sure that this FTA will have enough safety checks so that the environment will not be polluted even more (you are well aware that the environmental policies in your country and through-out the EU are significantly tougher than in Tradeland). You want an overall FTA which will not exclude too many areas that other EU Member states may fight to protect (e.g.: agriculture etc.). Germany is very interested also in the liberalization of public procurement policies within Tradeland, especially in the areas of infrastructure building (highways, high speed railways and trains) where German companies are global leaders. Italy and France share similar interests in terms of public procurement liberalization for infrastructure building. You are also well aware that some labor unions within your country are already worried that there will be job cuts in Germany companies in order to make them even more competitive against the companies of Tradeland.

### Your main objectives are to:

- Make sure that an FTA with Tradeland will be as inclusive as possible
- ➤ Make a strong case in favor of competition-driven growth, and refrain from making commitments to less competitive economies regarding mitigation of potential negative effects due to an FTA with Tradeland
- ➤ Insist that any agreement should guarantee the liberalization of public procurement policies within Tradeland
- ➤ Raise your concerns regarding established consumer and labor rights, and secure that they are adequately protected. At the same time make sure that such protection will not considerably limit the purpose and essence of the FTA.
- Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)

Make sure that the power of Tradeland's lobbies will not be exaggerated by some Member states with the purpose of adding limitations to a final agreement

With these points in mind, you are going to negotiate - within the Council of the European Union — the mandate to be given to the European Commission for negotiating the FTA with Tradeland. Given that the Commission cannot focus on all the aspects negotiated within the Council in this simulation, the Member states of the Council will only frame and forward three major interests that it requires the Commission negotiators to focus on in their negotiations with Tradeland. To clarify: The negotiation you are about to partake in is a European-internal negotiation; you are not negotiating with Tradeland. The outcome of your negotiation will delineate the mandate to be given to the European Commission negotiators, who will conduct an external negotiation with Tradeland on behalf of the EU. During the actual negotiations with Tradeland you will not have a representative at the negotiation table as the European Commission will be the party negotiating the deal. You (as the Council) will receive reports and updates as the negotiations progress, however, you will not be conducting them on your own. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement is signed as soon as possible. You should suggest that once the Council gives the European Commission the official permission to open negotiations with Tradeland based on the guidelines the Council agrees upon, this permission should be considered final and no revision of the process should be asked by the Member states in between. This would only cause delays and complications in the process.

# **Instructions for the Greek Trade Minister**

You are representing the government of Greece in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group, which is the one Greece is also part of, includes those states which generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A second group is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A third group of states includes those believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field in terms of social, fiscal and environmental norms — would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

In addition, there is a group of states which, although in favor of more free trade, is also concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare e system etc. This given the fact that Tradeland is a far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the green light for negotiations to begin. Such requests might include, for example, visa

liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As the Greek representative you understand that overall, an FTA with Tradeland will have a positive impact on your economy, which has been struggling to come out of the crisis for several years. More specifically the agreement is expected to add a bit less than 0.5% to your annual GDP, and create thousands new jobs in the private sector that would be highly beneficial for the Greek recovery, particularly through foreign direct investments. At the same time, you understand that in order to make the best out of the situation you have to provide protection to specific Greek products that are currently under "protected designation of origin" status, based on EU regulation 2081/92, and following related regulations. In your case these would include, for instance, the Greek Feta cheese (and several other cheese varieties), several varieties of olives and the world-famous mastiha products. The protection of these products is of immense importance to you as they constitute your comparative advantage against more industrialized countries, while they contribute to improved numbers in your tourism sector.

### Your main objectives are to:

- ➤ Make sure that an FTA with Tradeland will be targeted in a way that does not harm key national interests
- ➤ Ask for specific guarantees regarding products under "protected designation of origin" status
- > Secure explicit commitments that the key sectors of your industry will not be threatened by the agreement
- ➤ Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)
- Make sure that the agreement includes specific measures for minimizing any potential influence that Tradeland's lobbies could develop in the future

With these points in mind, you are going to negotiate - within the Council of the European Union — the mandate to be given to the European Commission for negotiating the FTA with Tradeland.

Given that the Commission cannot focus on all the aspects negotiated within the Council in this simulation, the Member states of the Council will only frame and forward three major interests that it requires the Commission negotiators to focus on in their negotiations with Tradeland. To clarify: The negotiation you are about to partake in is a European-internal negotiation; you are not negotiating with Tradeland. The outcome of your negotiation will delineate the mandate to be given to the European Commission negotiators, who will conduct an external negotiation with Tradeland on behalf of the EU. During the actual negotiations with Tradeland you will not have a representative at the negotiation table as the European Commission will be the party negotiating the deal. You (as the Council) will receive reports and updates as the negotiations progress, however, you will not be conducting them on your own. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement is signed as soon as possible, however, you would also expect that regular updates are provided by the Commission, which would describe the process that far. That would give you an idea of how the negotiation is going and if your interests are served well. You should suggest that once the negotiation between the European Commission and Tradeland's delegation begin, there should be a bi-annual progress briefing to the council. If European Commission is doing its job this would only cause minor delays to the process.

# **Instructions for the Hungarian Trade Minister**

You are representing the government of Hungary in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different.

The first group - which Hungary belongs to, includes states believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field - in terms of social, fiscal and environmental norms – would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

A second group is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A third group of states includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A fourth group of states is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the green light for negotiations to begin. Such requests might include, for example, visa

liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As the Hungarian representative you understand that an FTA with Tradeland is largely against your interests. You already have a working relationship with Tradeland on a number of different sectors, and an all-inclusive agreement negotiated by the European Union will do more harm to Hungary rather than benefit it. Economists predict that your GDP will only marginally increase (0.0%-0.1%) due to the side effects of an agreement, while, there are a lot of downsides as well. An all-inclusive agreement with Tradeland would undermine the jurisdiction of Hungarian courts in disputes that refer to cross-border trading. Furthermore, other areas of national sovereignty could be affected, such as Hungary's long-standing position against GMOs. Finally, you are also not sure if local firms will be able to withstand the steep rise of competition, cause by the trade union of the two largest economies globally. Finally, you perceive, in a similar fashion with other countries from your group, that the liberalization of digital services could lead to a frontal attack on the cultural exceptionality of your country, and of the European Union. Until now you have unofficially kept a hard line denying the deal altogether, but it might be difficult to continue doing so under the pressure of other countries. Nonetheless, as different countries may want different degrees/types of agreement, you should try to explore their vis-à-vis differences and make the best out of the situation.

# Your main objectives are to:

- ➤ Make sure that an FTA with Tradeland will be minimal, applying to as few economic activities/sectors as possible
- > Secure explicit commitments that the key sectors of your industry will not be threatened by the agreement
- Make a strong case against GMOs and secure their exclusion from the agreement
- > Explain your reservations regarding national sovereignty and secure commitments that the role of national courts will not be weakened
- Minimize agreement's impact on the liberalization of digital services, at the very least push for a long adjustment period

- > Secure specific guarantees, especially from the countries that are in favor of an all-inclusive agreement, that the EU will actively help Member states deal with the negative effects attributed to the signing of the FTA with Tradeland
- ➤ Insist that any agreement will take into serious consideration the civil and social rights in the EU, as well as the current environmental and health standards
- Make sure that the agreement includes specific measures for minimizing any potential influence that Tradeland's lobbies could develop in the future

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

If the Commission does get the mandate to negotiate a trade agreement with Tradeland, then you would expect this to be a long and slow process. Time is not an issue to you and definitely there is no need to hurry things up. At the same time, you would also expect that regular updates are provided by the Commission, which would describe the process that far. That would give you an idea of how the negotiation is going and if your interests are served well. You should suggest that once the negotiation between the European Commission and Tradeland's delegation begin, there should be a bi-monthly progress briefing to the council.

## **Instructions for the Irish Trade Minister**

You are representing the government of Ireland in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group, which is the one Ireland is also part of, is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A second group includes states believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field - in terms of social, fiscal and environmental norms – would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

A third group of states includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A fourth group of states is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the

green light for negotiations to begin. Such requests might include, for example, visa liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As Ireland, you know this FTA will benefit your local economy very much by allowing more of Tradeland's tech/IT companies to set their EU headquarters in Ireland. The big business lobby within your own country is strongly in favor of such an FTA with a long, stable ally like Tradeland, arguing that Ireland stands to benefit twice as much as the rest of the EU from such a FTA. You want an overall FTA which will not exclude too many areas that other EU Member states may fight to protect (e.g.: agriculture etc.). You are also well aware that some labor unions within your country are already worried that there will be job cuts in Irish companies in order to make them even more competitive against the companies of Tradeland.

#### Your main objectives are to:

- Make sure that an FTA with Tradeland will be as inclusive as possible
- ➤ Make a strong case in favor of competition-driven growth, and refrain from making commitments to less competitive economies regarding mitigation of potential negative effects due to an FTA with Tradeland
- ➤ Raise your concerns regarding established consumer and labor rights, and secure that they are adequately protected. At the same time make sure that such protection will not considerably limit the purpose and essence of the FTA.
- ➤ Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)
- Make sure that the power of Tradeland's lobbies will not be exaggerated by some Member states with the purpose of adding limitations to a final agreement

With these points in mind, you are going to negotiate - within the Council of the European Union — the mandate to be given to the European Commission for negotiating the FTA with Tradeland. Given that the Commission cannot focus on all the aspects negotiated within the Council in this simulation, the Member states of the Council will only frame and forward three major interests

that it requires the Commission negotiators to focus on in their negotiations with Tradeland. To clarify: The negotiation you are about to partake in is a European-internal negotiation; you are not negotiating with Tradeland. The outcome of your negotiation will delineate the mandate to be given to the European Commission negotiators, who will conduct an external negotiation with Tradeland on behalf of the EU. During the actual negotiations with Tradeland you will not have a representative at the negotiation table as the European Commission will be the party negotiating the deal. You (as the Council) will receive reports and updates as the negotiations progress, however, you will not be conducting them on your own. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement is signed as soon as possible. You should suggest that once the Council gives the European Commission the official permission to open negotiations with Tradeland based on the guidelines the Council agrees upon, this permission should be considered final and no revision of the process should be asked by the Member states in between. This would only cause delays and complications in the process.

## **Instructions for the Italian Trade Minister**

You are representing the government of Italy in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group, which is the one Italy is also part of, is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A second group includes states believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field - in terms of social, fiscal and environmental norms – would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

A third group of states includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A fourth group of states is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the

green light for negotiations to begin. Such requests might include, for example, visa liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As Italy, you know this FTA will benefit your companies very much, and it is expected that a signed agreement with Tradeland will benefit small, medium and large firms alike. You want an overall FTA which will not exclude too many areas that other EU Member states may fight to protect (e.g.: agriculture etc.). Italy is very interested also in the liberalization of public procurement policies within Tradeland, especially in the areas of infrastructure building (highways, high speed railways and trains) where Italian companies are global leaders. Germany and France share similar interests in terms of public procurement liberalization for infrastructure building. You are also well aware that some labor unions within your country are already worried that there will be job cuts in Italian companies in order to make them even more competitive against the companies of Tradeland, however, overall public support is only marginally higher compared to the EU average.

## Your main objectives are to:

- Make sure that an FTA with Tradeland will be as inclusive as possible
- ➤ Make a strong case in favor of competition-driven growth, and refrain from making commitments to less competitive economies regarding mitigation of potential negative effects due to an FTA with Tradeland
- ➤ Insist that any agreement should guarantee the liberalization of public procurement policies within Tradeland
- ➤ Raise your concerns regarding established consumer and labor rights, and secure that they are adequately protected. At the same time make sure that such protection will not considerably limit the purpose and essence of the FTA.
- Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)
- Make sure that the power of Tradeland's lobbies will not be exaggerated by some Member states with the purpose of adding limitations to a final agreement

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement is signed as soon as possible. You should suggest that once the Council gives the European Commission the official permission to open negotiations with Tradeland based on the guidelines the Council agrees upon, this permission should be considered final and no revision of the process should be asked by the Member states in between. This would only cause delays and complications in the process.

## **Instructions for the Latvian Trade Minister**

You are representing the government of Latvia in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group, which is the one Latvia is also part of, is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A second group includes states believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field - in terms of social, fiscal and environmental norms – would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

A third group of states includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A fourth group of states is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the

green light for negotiations to begin. Such requests might include, for example, visa liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As Latvia, you know this FTA will benefit your companies very much, and it is expected that a signed agreement with Tradeland will benefit small, medium and large firms alike. You want an overall FTA which will not exclude too many areas that other EU Member states may fight to protect (e.g.: agriculture etc., as agriculture is your main export to Tradeland and you want this sector to increase after a FTA is agreed on). You are also very much in favor of opening up the energy market between Tradeland and the EU as your country wants to become less reliable on energy from Russia. Overall public support is higher compared to the EU average.

## Your main objectives are to:

- Make sure that an FTA with Tradeland will be as inclusive as possible
- ➤ Make a strong case in favor of competition-driven growth, and refrain from making commitments to less competitive economies regarding mitigation of potential negative effects due to an FTA with Tradeland
- ➤ Insist that any agreement should guarantee the opening of the energy market
- Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)
- Make sure that the power of Tradeland's lobbies will not be exaggerated by some Member states with the purpose of adding limitations to a final agreement

With these points in mind, you are going to negotiate - within the Council of the European Union — the mandate to be given to the European Commission for negotiating the FTA with Tradeland. Given that the Commission cannot focus on all the aspects negotiated within the Council in this simulation, the Member states of the Council will only frame and forward three major interests that it requires the Commission negotiators to focus on in their negotiations with Tradeland. To clarify: The negotiation you are about to partake in is a European-internal negotiation; you are not negotiating with Tradeland. The outcome of your negotiation will delineate the mandate to

be given to the European Commission negotiators, who will conduct an external negotiation with Tradeland on behalf of the EU. During the actual negotiations with Tradeland you will not have a representative at the negotiation table as the European Commission will be the party negotiating the deal. You (as the Council) will receive reports and updates as the negotiations progress, however, you will not be conducting them on your own. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement is signed as soon as possible. You should suggest that once the Council gives the European Commission the official permission to open negotiations with Tradeland based on the guidelines the Council agrees upon, this permission should be considered final and no revision of the process should be asked by the Member states in between. This would only cause delays and complications in the process.

## <u>Instructions for the Lithuanian Trade Minister</u>

You are representing the government of Lithuania in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group, which is the one Lithuania is also part of, is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A second group includes states believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field - in terms of social, fiscal and environmental norms – would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

A third group of states includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A fourth group of states is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the

green light for negotiations to begin. Such requests might include, for example, visa liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As Lithuania, you know this FTA will benefit your companies very much, and it is expected that a signed agreement with Tradeland will benefit small, medium and large firms alike. You want an overall FTA which will not exclude too many areas that other EU Member states may fight to protect (e.g.: agriculture etc., as agriculture is your main export to Tradeland and you want this sector to increase after a FTA is agreed on). You are also very much in favor of opening up the energy market between Tradeland and the EU as your country wants to become less reliable on energy from Russia. Overall public support is only marginally lower compared to the EU average. You are concerned with economic growth, profit and job creation. Concerns about consumer protection, environmental rules, and labor rights are not high on your agenda.

# Your main objectives are to:

- Make sure that an FTA with Tradeland will be as inclusive as possible
- ➤ Make a strong case in favor of competition-driven growth, and refrain from making commitments to less competitive economies regarding mitigation of potential negative effects due to an FTA with Tradeland
- Insist that any agreement should guarantee the opening of the energy market
- Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)
- Make sure that the power of Tradeland's lobbies will not be exaggerated by some Member states with the purpose of adding limitations to a final agreement

With these points in mind, you are going to negotiate - within the Council of the European Union — the mandate to be given to the European Commission for negotiating the FTA with Tradeland. Given that the Commission cannot focus on all the aspects negotiated within the Council in this simulation, the Member states of the Council will only frame and forward three major interests that it requires the Commission negotiators to focus on in their negotiations with Tradeland. To clarify: The negotiation you are about to partake in is a European-internal negotiation; you are not negotiating with Tradeland. The outcome of your negotiation will delineate the mandate to

be given to the European Commission negotiators, who will conduct an external negotiation with Tradeland on behalf of the EU. During the actual negotiations with Tradeland you will not have a representative at the negotiation table as the European Commission will be the party negotiating the deal. You (as the Council) will receive reports and updates as the negotiations progress, however, you will not be conducting them on your own. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement is signed as soon as possible. You should suggest that once the Council gives the European Commission the official permission to open negotiations with Tradeland based on the guidelines the Council agrees upon, this permission should be considered final and no revision of the process should be asked by the Member states in between. This would only cause delays and complications in the process.

#### **Instructions for the Luxembourgish Trade Minister**

You are representing the government of Luxemburg in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group of states, which is the one Luxemburg is also part of, is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

A second group is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A third group of states includes those believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field in terms of social, fiscal and environmental norms — would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

In addition, there is a group of states that includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the green light for negotiations to begin. Such requests might include, for example, visa liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As Luxembourg, you know this FTA will benefit your companies very much, especially in the areas of steel industry, chemical industry, and services (banking and finances). The big business lobby within your own country is strongly in favor of such an FTA with a long, stable ally like Tradeland, but 40% of the public opinion is against. You are in favor of the FTA, but against lowering the European Union standards regarding consumer protection, environmental rules, and labor rights. You want more jobs and profit for your companies, but not at the expense of these regulations. You want an overall FTA focus especially on services, but you are strongly against a harmonization of regulations which will lead towards the lowest common denominator promoted by Tradeland.

## Your main objectives are to:

- Make sure that an FTA with Tradeland will be targeted in a way that does not harm key national interests
- > Put an effort so that harmonization of regulations is excluded from the final agreement
- ➤ Raise your concerns regarding established consumer and labor rights, and secure that they are adequately protected. Any agreement will take into serious consideration the civil and social rights in the EU, as well as the current environmental and health standards
- ➤ Secure explicit commitments that the key sectors of your industry will not be threatened by the agreement
- ➤ Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)
- Make sure that the agreement includes specific measures for minimizing any potential influence that Tradeland's lobbies could develop in the future

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement is signed. You should suggest that once the Council gives the European Commission the official permission to open negotiations with Tradeland based on the guidelines the Council agrees upon, this permission should be verified every few months depending on the transparency allowed by the EU institutions to the negotiations. You do want to emphasize you want national parliaments to be able to vote on this FTA Agreement, if it passes approval within the EU institutions, before it is put into place.

# **Instructions for the Maltese Trade Minister**

You are representing the government of Malta in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group - which Malta belongs to, includes states believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field - in terms of social, fiscal and environmental norms – would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

A second group is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A third group of states includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A fourth group of states is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the green light for negotiations to begin. Such requests might include, for example, visa

liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As the Maltese representative you understand that an FTA with Tradeland is largely against your interests. You do not have a working relationship with Tradeland, and an all-inclusive agreement negotiated by the European Union will do more harm to Malta rather than benefit it, as it will allow cheap Tradeland products into your market, without having the companies which could sell to Tradeland. Economists predict that your GDP will actually decrease by 0.3% and investments into Malta will decrease by 0.7%. First, your government already has significant concerns on the loss of national sovereignty that being a member of the EU implies. An allinclusive agreement with Tradeland would undermine the jurisdiction of Maltese courts in disputes that refer to cross-border trading. Furthermore, other areas of national sovereignty would be affected, such as Malta's long-standing position against GMOs. Finally, you are certain that local firms will not be able to withstand the steep rise of competition, cause by the trade union of the two largest economies globally and their profits will decrease significantly (e.g. if now your companies can sell products and services to other EU Member states, you expect that after the FTA with Tradeland, your companies will be replaced by Tradeland's companies selling the same products and services). Finally, you perceive, in a similar fashion with other countries from your group, that the liberalization of digital services could lead to a frontal attack on the cultural exceptionality of your country, and of the European Union. Until now you have unofficially kept a hard line denying the deal altogether, but it might be difficult to continue doing so under the pressure of other countries. Nonetheless, as different countries may want different degrees/types of agreement, you should try to explore their vis-à-vis differences and make the best out of the situation.

## Your main objectives are to:

- ➤ Make sure that an FTA with Tradeland will be minimal, applying to as few economic activities/sectors as possible
- > Secure explicit commitments that the key sectors of your industry will not be threatened by the agreement
- Make a strong case against GMOs and secure their exclusion from the agreement

- Explain your reservations regarding national sovereignty and secure commitments that the role of national courts will not be weakened
- Minimize agreement's impact on the liberalization of digital services, at the very least push for a long adjustment period
- > Secure specific guarantees, especially from the countries that are in favor of an all-inclusive agreement, that the EU will actively help Member states deal with the negative effects attributed to the signing of the FTA with Tradeland
- ➤ Insist that any agreement will take into serious consideration the civil and social rights in the EU, as well as the current environmental and health standards
- Make sure that the agreement includes specific measures for minimizing any potential influence that Tradeland's lobbies could develop in the future

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

If the Commission does get the mandate to negotiate a trade agreement with Tradeland, then you would expect this to be a long and slow process. Time is not an issue to you and definitely there is no need to hurry things up. At the same time, you would also expect that regular updates are provided by the Commission, which would describe the process that far. That would give you an idea of how the negotiation is going and if your interests are served well. You should suggest that once the negotiation between the European Commission and Tradeland's delegation begin, there should be a bi-monthly progress briefing to the Council.

#### **Instructions for the Dutch Trade Minister**

You are representing the government of Netherlands in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group, which is the one Netherlands is also part of, includes those states which generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A second group is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A third group of states includes those believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field in terms of social, fiscal and environmental norms — would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

In addition, there is a group of states which, although in favor of more free trade, is also concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the green light for negotiations to begin. Such requests might include, for example, visa liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As the Dutch representative you understand that overall, a FTA with Tradeland will have a positive impact on your economy. Your long history of free trade on which Netherlands was built on and continues to thrive make you a strong supporter of this FTA, but with some concerns about food regulations and the environment. More specifically the agreement is expected to add a bit less than 0.5% to your annual GDP, and definitely increase FDI from Tradeland to the Netherlands. More than 2/3 of Dutch economists predict a positive impact of the Dutch economy if such a FDI is signed with Tradeland. At the same time, you understand that in order to make the best out of the situation you have to provide protection to specific Dutch products that are currently under "protected designation of origin" status, based on EU regulation 2081/92, and following related regulations. In your case these would include, for instance, the famous Dutch cheese products. The protection of these products is of immense importance to you, as they constitute your comparative advantage against more industrialized countries, while they contribute to improved numbers in your tourism sector. However, you are very much in favor of having Tradeland open their dairy market to your very competitive companies in the milk, cheese, and animal herding sectors of the economy. You also want to promote the opening of adjacent sectors such as the agricultural-related industries, oil, banking, and the airline industry. You realize that you will have to compromise on some of these sectors as only 3 interests can be forwarded to the Commission. However, you do need to keep in mind the focus on maintaining the protection of the higher quality of your agricultural products while promoting the opening of Tradeland's markets especially for these products.

#### Your main objectives are to:

Make sure that an FTA with Tradeland will be targeted, in a way that does not harm key national interests

- ➤ Ask for specific guarantees regarding products under "protected designation of origin" status
- Make sure that dairy as well as agricultural products are not excluded by the agreement
- ➤ Make sure that industrial sectors where you have a comparative advantage will not be excluded by the agreement
- > Secure explicit commitments that the key sectors of your industry will not be threatened by the agreement
- Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)
- Make sure that the agreement includes specific measures for minimizing any potential influence that Tradeland's lobbies could develop in the future

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement is signed as soon as possible, however, you would also expect that regular updates are provided by the Commission, which would describe the process that far. That would give you an idea of how the negotiation is going and if your interests are served well. You should suggest that once the negotiation between the European Commission and Tradeland's delegation begin, there should be a bi-annual progress briefing to the Council. If European Commission is doing its job this would only cause minor delays to the process.

#### **Instructions for the Polish Trade Minister**

You are representing the government of Poland in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group, which is the one Poland is also part of, includes those states which generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A second group is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A third group of states includes those believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field in terms of social, fiscal and environmental norms — would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

In addition, there is a group of states which, although in favor of more free trade, is also concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare e system etc. This given the fact that Tradeland is a far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the green light for negotiations to begin. Such requests might include, for example, visa

liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As the Polish representative you understand that overall, a FTA with Tradeland will have a positive impact on your economy. Your long history of free trade on which Poland was built on and continues to thrive make you a strong supporter of this FTA, but with some concerns about food regulations and the environment. More specifically the agreement is expected to add a bit less than 0.5% to your annual GDP, and definitely increase FDI from Tradeland to Poland. As a relatively new member of the EU but with a large economy you are very eager to attract foreign direct investment from Tradeland. You also expect your diaspora which lives in Tradeland to be able to invest in your country. You are very interested in the ability to sell easier heavy machinery, electronics and cars, which representing the leading exports from your country. You are also concerned about protecting your farmers and thus want to make sure that the environmental regulations are respected in any FTA and that GMOs will not invade the agricultural market of your country. You realize that you will have to compromise on some of these sectors as only 3 interests can be forwarded to the Commission. However, you do need to keep in mind the focus on maintaining the protection of the higher quality of your agricultural products while promoting the opening of Tradeland's markets especially for these products.

## Your main objectives are to:

- Make sure that an FTA with Tradeland will be targeted in a way that does not harm key national interests
- Make a strong case against GMOs and secure their exclusion from the agreement
- ➤ Guarantee that an agreement will take into serious consideration the civil and social rights in the EU, as well as the current environmental and health standards
- > Secure explicit commitments that the key sectors of your industry will not be threatened by the agreement
- Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)
- Make sure that the agreement includes specific measures for minimizing any potential influence that Tradeland's lobbies could develop in the future

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement is signed as soon as possible, however, you would also expect that regular updates are provided by the Commission, which would describe the process that far. That would give you an idea of how the negotiation is going and if your interests are served well. You should suggest that once the negotiation between the European Commission and Tradeland's delegation begin, there should be a bi-annual progress briefing to the Council. If European Commission is doing its job this would only cause minor delays to the process.

# **Instructions for the Portuguese Trade Minister**

You are representing the government of Portugal in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group, which is the one Portugal is also part of, includes those states which generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A second group is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A third group of states includes those believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field in terms of social, fiscal and environmental norms — would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

In addition, there is a group of states which, although in favor of more free trade, is also concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare e system etc. This given the fact that Tradeland is a far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the green light for negotiations to begin. Such requests might include, for example, visa

liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As the Portuguese representative you understand that overall, a FTA with Tradeland will have a positive impact on your economy, which has been struggling to come out of the crisis for several years. More specifically the agreement is expected to add a bit less than 0.5% to your annual GDP, and definitely increase FDI from Tradeland to Portugal. At the same time, you understand that in order to make the best out of the situation you have to provide protection to specific Portuguese products that are currently under "protected designation of origin" status, based on EU regulation 2081/92, and following related regulations. In your case these would include, for instance, the famous Porto wine (and several other wine varieties), several varieties of olives and cheese products. The protection of these products is of immense importance to you, as they constitute your comparative advantage against more industrialized countries, while they contribute to improved numbers in your tourism sector.

#### Your main objectives are to:

- Make sure that an FTA with Tradeland will be targeted in a way that does not harm key national interests
- Ask for specific guarantees regarding products under "protected designation of origin" status
- > Secure explicit commitments that the key sectors of your industry will not be threatened by the agreement
- ➤ Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)
- Make sure that the agreement includes specific measures for minimizing any potential influence that Tradeland's lobbies could develop in the future

With these points in mind, you are going to negotiate - within the Council of the European Union — the mandate to be given to the European Commission for negotiating the FTA with Tradeland. Given that the Commission cannot focus on all the aspects negotiated within the Council in this

simulation, the Member states of the Council will only frame and forward three major interests that it requires the Commission negotiators to focus on in their negotiations with Tradeland. To clarify: The negotiation you are about to partake in is a European-internal negotiation; you are not negotiating with Tradeland. The outcome of your negotiation will delineate the mandate to be given to the European Commission negotiators, who will conduct an external negotiation with Tradeland on behalf of the EU. During the actual negotiations with Tradeland you will not have a representative at the negotiation table as the European Commission will be the party negotiating the deal. You (as the Council) will receive reports and updates as the negotiations progress, however, you will not be conducting them on your own. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement is signed as soon as possible, however, you would also expect that regular updates are provided by the Commission, which would describe the process that far. That would give you an idea of how the negotiation is going and if your interests are served well. You should suggest that once the negotiation between the European Commission and Tradeland's delegation begin, there should be a bi-annual progress briefing to the council. If European Commission is doing its job this would only cause minor delays to the process.

#### **Instructions for the Romanian Trade Minister**

You are representing the government of Romania in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group, which is the one Romania is also part of, consists of a small group of countries that seem to be neutral to a possible agreement. However, they are expected to take advantage of the situation and, ask for compensations in order to give the green light for the negotiations to start. These issues might, for instance, include visa liberalization from Tradeland's part, which at the moment does not apply a uniform visa policy towards all EU Member states. The issue of visas is your most important goal that you want to bring up, as your country's citizens cannot travel to Tradeland without visas.

A second group is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A third group of states includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A fourth group of states is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a group of countries includes those believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it

would benefit. They think that the competition posed by Tradeland on an uneven playing field in terms of social, fiscal and environmental norms — would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As Romania, you know this FTA will not benefit your companies very much, and it is expected that a signed agreement with Tradeland will only benefit a handful of large firms in the IT sector. You are concerned with the impact on SMEs, as well as on agriculture and environmental issues and you want to make sure that this FTA will have enough safety checks so that the environment will not be polluted even more (you are well aware that the environmental policies in your country and throughout the EU are significantly tougher than in Tradeland). You are neutral (maybe even slightly against) towards a FTA with Tradeland, but want instead a true common market within the EU. You think that the EU should focus even more on helping the poorer economies to catch up with the most developed economies of the EU, rather than putting their young economies at risk by signing a FTA with Tradeland. You are also well aware that some labor unions within your country are already worried that there will be job cuts in Romanian companies, in order to make them even more competitive against the companies of Tradeland. Overall public support towards the FTA is neutral compared to the EU average. You do not want this trade deal to divide the EU too much, and you are willing to consider it, as long as there are clear safety nets included for the poorer economies of the EU Member states, like yours. This could come in the form of more structural funds or funds to increase the competitiveness of Romanian goods and services within the EU market. Time is also of importance – as your companies need time to be shielded from competition from Tradeland's companies, in order to grow and become globally competitive. With the correct incentives from the other EU Member states you are willing to agree with this FTA. One such incentive could be convincing the government of Tradeland to lift the visa requirements for your citizens going to travel to Tradeland. Your main objectives are to:

➤ Make a strong point that EU integration is a priority over finding new trade partners, hence the discussion should also focus on how to help weaker European economies

- ➤ Secure specific guarantees that EU members with less-competitive economies will be protected against any negative impacts of the FTA
- > Secure that an agreement will take into serious consideration the civil and social rights in the EU, as well as the current environmental and health standards
- ➤ Make sure that an adjustment period will be foreseen in order for your companies to adjust to the new reality
- > Secure the lifting of visa requirements imposed by Tradeland towards any member-state
- Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)
- Make sure that the agreement includes specific measures for minimizing any potential influence that Tradeland's lobbies could develop in the future

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement, if signed, will allow you to gain something your country needs (lifting visas, some incentives for shielding your companies from the negative effects of the FTA etc.). But, if the agreement is to go forward with these negotiations, you should suggest that once the Council gives the European Commission the official permission to open negotiations with Tradeland based on the guidelines the Council agrees upon, this permission should be reviewed every couple of months, to make sure the Commission is truly representing the mandate given to it by the Council of the EU.

## **Instructions for the Slovak Trade Minister**

You are representing the government of Slovakia in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group - which Slovakia belongs to, includes states believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field - in terms of social, fiscal and environmental norms – would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

A second group is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A third group of states includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A fourth group of states is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These

states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the green light for negotiations to begin. Such requests might include, for example, visa liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As the Slovak representative you understand that an FTA with Tradeland is largely against the economic interests of your country. You already have a working relationship with Tradeland that touches a number of different sectors, and an all-inclusive agreement negotiated by the European Union could well do more harm to Slovakia rather than benefit it. Economists predict that your GDP will only marginally increase (0.0%-0.1%) due to the side effects of an agreement, while, there are a lot of downsides as well. First, your government already has significant concerns on the loss of national sovereignty that being a member of the EU implies. An all-inclusive agreement with Tradeland would undermine the jurisdiction of Slovak courts in disputes that refer to cross-border trading opening your country to lawsuits from Tradeland. Finally, you are certain that your local firms (especially the small and medium sized enterprises – SMEs) will not be able to withstand the steep rise of competition, caused by an FTA between the two largest economies globally. Until now you have unofficially kept a hard line questioning the focus of the deal altogether, but it might be difficult to continue doing so under the pressure of other countries. You want the FTA to be focused on issues of agricultural and food quality insurance. You also want to make sure that GMOs will not be part of the deal, as your country is very much against the use of GMOs in Europe. You are very skeptical about the ability of Tradeland states to implement the rules and requirements of the FTA with respect to agricultural and pharmaceutical products and thus fear for the health and well-being of your citizens. Finally, you perceive, in a similar fashion with other countries from your group, that the liberalization of digital services could lead to a frontal attack on the cultural exceptionality of your country, and of the European Union. Nonetheless, as different countries may want different degrees/types of agreement, you should try to explore their vis-à-vis differences and make the best out of the situation.

#### Your main objectives are to:

- Make sure that an FTA with Tradeland will be minimal, applying to as few economic activities/sectors as possible
- > Secure explicit commitments that the key sectors of your industry will not be threatened by the agreement
- Make a strong case against GMOs and secure their exclusion from the agreement
- > Explain your reservations regarding national sovereignty and secure commitments that the role of national courts will not be weakened
- Minimize agreement's impact on the liberalization of digital services, at the very least push for a long adjustment period
- > Secure specific guarantees, especially from the countries that are in favor of an all-inclusive agreement, that the EU will actively help Member states deal with the negative effects attributed to the signing of the FTA with Tradeland
- ➤ Insist that any agreement will take into serious consideration the civil and social rights in the EU, as well as the current environmental and health standards
- Make sure that the agreement includes specific measures for minimizing any potential influence that Tradeland's lobbies could develop in the future

With these points in mind, you are going to negotiate - within the Council of the European Union — the mandate to be given to the European Commission for negotiating the FTA with Tradeland. Given that the Commission cannot focus on all the aspects negotiated within the Council in this simulation, the Member states of the Council will only frame and forward three major interests that it requires the Commission negotiators to focus on in their negotiations with Tradeland. To clarify: The negotiation you are about to partake in is a European-internal negotiation; you are not negotiating with Tradeland. The outcome of your negotiation will delineate the mandate to be given to the European Commission negotiators, who will conduct an external negotiation with Tradeland on behalf of the EU. During the actual negotiations with Tradeland you will not have a representative at the negotiation table as the European Commission will be the party negotiating the deal. You (as the Council) will receive reports and updates as the negotiations progress, however, you will not be conducting them on your own. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

If the Commission does get the mandate to negotiate a trade agreement with Tradeland, then you would expect this to be a long and slow process. Time is not an issue to you and definitely there is no need to hurry things up. At the same time, you would also expect that regular updates are provided by the Commission, which would describe the process that far. That would give you an

idea of how the negotiation is going and if your interests are served well. You should suggest that once the negotiation between the European Commission and Tradeland's delegation begin, there should be a bi-monthly progress briefing to the Council.

# **Instructions for the Slovenian Trade Minister**

You are representing the government of Slovenia in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group, which Slovenia belongs to, includes states believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field - in terms of social, fiscal and environmental norms – would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

A second group is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A third group of states includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A fourth group of states is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These

states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the green light for negotiations to begin. Such requests might include, for example, visa liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As the Slovenian representative you understand that an FTA with Tradeland is largely against your interests. You already have a working relationship with Tradeland that touches a number of different sectors, and an all-inclusive agreement negotiated by the European Union will do more harm to Slovenia rather than benefit it. Economists predict that your GDP will only marginally increase due to the side effects of an agreement, however, there are a lot of downsides as well. Particular concerns have been raised on the agricultural products market, one of the flagships of the Slovenian economy, which currently respects a large set of regulations under the Common Agricultural Policy. As a European leader promoting organic agriculture, Slovenia is strongly against GMOs and you are worried by the pressure for GMOs to be liberalized as part of this FTA. You also do not want growth hormones for animals and cloned animals to be allowed for human consumption within your country and the EU. Similar concerns have been voiced that Tradeland enterprises could challenge Slovenian and EU policies if they feel that regulations put them at a disadvantage and thus you are strongly against investor-state dispute settlement schemes in which the companies hold the upper hand. On top of all this, as several polls have shown, the Slovenian people are against the agreement, as they believe that it will only benefit big economies of the EU, and will damage the interests of the smaller economies like Slovenia. You are particularly concerned about the negative impact of this FTA on your pharmaceutical, motor vehicles, and agricultural sectors. Finally, you perceive, in a similar fashion with other countries from your group, that the liberalization of digital services could lead to a frontal attack on the cultural exceptionality of your country, and of the European Union. Until now you have unofficially kept a hard line denying the deal altogether, but it might be difficult to continue doing so under the pressure of other countries. Nonetheless, as different countries may want different degrees/types of agreement, you should try to explore their vis-à-vis differences and make the best out of the situation. Your main objectives are to:

- ➤ Make sure that an FTA with Tradeland will be minimal, applying to as few economic activities/sectors as possible
- > Secure explicit commitments that the key sectors of your industry will not be threatened by the agreement
- ➤ Make a strong case against de-regularization of agricultural products and secure their exclusion from the final agreement
- Make a strong case against GMOs and secure their exclusion from the agreement
- ➤ Minimize agreement's impact on the liberalization of digital services, at the very least push for a long adjustment period
- ➤ Secure specific guarantees, especially from the countries that are in favor of an all-inclusive agreement, that the EU will actively help Member states deal with the negative effects attributed to the signing of the FTA with Tradeland
- ➤ Insist that any agreement will take into serious consideration the civil and social rights in the EU, as well as the current environmental and health standards
- ➤ Make sure that the agreement includes specific measures for minimizing any potential influence that Tradeland's lobbies could develop in the future

With these points in mind, you are going to negotiate - within the Council of the European Union — the mandate to be given to the European Commission for negotiating the FTA with Tradeland. Given that the Commission cannot focus on all the aspects negotiated within the Council in this simulation, the Member states of the Council will only frame and forward three major interests that it requires the Commission negotiators to focus on in their negotiations with Tradeland. To clarify: The negotiation you are about to partake in is a European-internal negotiation; you are not negotiating with Tradeland. The outcome of your negotiation will delineate the mandate to be given to the European Commission negotiators, who will conduct an external negotiation with Tradeland on behalf of the EU. During the actual negotiations with Tradeland you will not have a representative at the negotiation table as the European Commission will be the party negotiating the deal. You (as the Council) will receive reports and updates as the negotiations progress, however, you will not be conducting them on your own. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

If the Commission does get the mandate to negotiate a trade agreement with Tradeland, then you would expect this to be a long and slow process. Time is not an issue to you and definitely there is no need to hurry things up. At the same time, you would also expect that regular updates are

provided by the Commission, which would describe the process that far. That would give you an idea of how the negotiation is going and if your interests are served well. You should suggest that once the negotiation between the European Commission and Tradeland's delegation begin, there should be a bi-monthly progress briefing to the council.

### **Instructions for the Spanish Trade Minister**

You are representing the government of Spain in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group, which is the one Spain is also part of, is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A second group includes states believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field - in terms of social, fiscal and environmental norms – would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

A third group of states includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A fourth group of states is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these

may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the green light for negotiations to begin. Such requests might include, for example, visa liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As Spain, you know this FTA will benefit your companies very much, especially in the areas of renewable energy (solar and wind), building high-speed rail infrastructure (an area heavily explored by Tradeland) and cellphone providers where your companies are global leaders. You are slightly sympathetic to the calls from Spanish farmers to protect them from the cheaper and less regulated agricultural products of Tradeland. The big business lobby within your own country is strongly in favor of such an FTA with a long, stable ally like Tradeland. Overall, you want an overall FTA which will not exclude too many areas that other EU Member states may fight to protect (e.g.: agriculture etc.). You are also well aware that some labor unions within your country are already worried that there will be job cuts in Spanish companies in order to make them even more competitive against the companies of Tradeland. Your main objectives are to:

- Make sure that an FTA with Tradeland will be as inclusive as possible
- ➤ Make a strong case in favor of competition-driven growth, and refrain from making commitments to less competitive economies regarding mitigation of potential negative effects due to an FTA with Tradeland
- ➤ Raise your concerns regarding established consumer and labor rights, and secure that they are adequately protected. At the same time make sure that such protection will not considerably limit the purpose and essence of the FTA.
- Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)

Make sure that the power of Tradeland's lobbies will not be exaggerated by some Member states with the purpose of adding limitations to a final agreement

With these points in mind, you are going to negotiate - within the Council of the European Union — the mandate to be given to the European Commission for negotiating the FTA with Tradeland. Given that the Commission cannot focus on all the aspects negotiated within the Council in this simulation, the Member states of the Council will only frame and forward three major interests that it requires the Commission negotiators to focus on in their negotiations with Tradeland. To clarify: The negotiation you are about to partake in is a European-internal negotiation; you are not negotiating with Tradeland. The outcome of your negotiation will delineate the mandate to be given to the European Commission negotiators, who will conduct an external negotiation with Tradeland on behalf of the EU. During the actual negotiations with Tradeland you will not have a representative at the negotiation table as the European Commission will be the party negotiating the deal. You (as the Council) will receive reports and updates as the negotiations progress, however, you will not be conducting them on your own. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement is signed as soon as possible. You should suggest that once the Council gives the European Commission the official permission to open negotiations with Tradeland based on the guidelines the Council agrees upon, this permission should be considered final and no revision of the process should be asked by the Member states in between. This would only cause delays and complications in the process.

### **Instructions for the Swedish Trade Minister**

You are representing the government of Sweden in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group of states, which is the one Sweden is also part of, is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

A second group is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A third group of states includes those believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field in terms of social, fiscal and environmental norms — would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all;

they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

In addition, there is a group of states that includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the green light for negotiations to begin. Such requests might include, for example, visa liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As Sweden, you know this FTA will benefit your companies very much, especially in the areas of pharmaceutical, electronics, and the green, environmentally friendly sectors of the economy. The big business lobby within your own country is strongly in favor of such an FTA with a long, stable ally like Tradeland. You are concerned with environmental issues and you want to make sure that this FTA will have enough safety checks so that the environment will not be polluted even more (you are well aware that the environmental policies in your country and throughout the EU are significantly tougher than in Tradeland). You want an overall FTA to focus only on goods and services, but you are strongly against a harmonization of regulations which will lead towards the lowest common denominator promoted by Tradeland. You are against regulations which will weaken labor unions, the healthcare system, consumer rights, the educational system and the overall social safety nets promoted by your country's welfare system.

#### Your main objectives are to:

- ➤ Make sure that an FTA with Tradeland will be targeted in a way that does not harm key national interests
- > Put an effort so that harmonization of regulations is excluded from the final agreement
- ➤ Raise your concerns regarding established consumer and labor rights, and secure that they are adequately protected. Any agreement should take into serious consideration the

- civil and social rights in the EU, as well as the current environmental and health standards
- > Secure explicit commitments that the key sectors of your industry will not be threatened by the agreement
- Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)
- Make sure that the agreement includes specific measures for minimizing any potential influence that Tradeland's lobbies could develop in the future

With these points in mind, you are going to negotiate - within the Council of the European Union — the mandate to be given to the European Commission for negotiating the FTA with Tradeland. Given that the Commission cannot focus on all the aspects negotiated within the Council in this simulation, the Member states of the Council will only frame and forward three major interests that it requires the Commission negotiators to focus on in their negotiations with Tradeland. To clarify: The negotiation you are about to partake in is a European-internal negotiation; you are not negotiating with Tradeland. The outcome of your negotiation will delineate the mandate to be given to the European Commission negotiators, who will conduct an external negotiation with Tradeland on behalf of the EU. During the actual negotiations with Tradeland you will not have a representative at the negotiation table as the European Commission will be the party negotiating the deal. You (as the Council) will receive reports and updates as the negotiations progress, however, you will not be conducting them on your own. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement is signed as soon as possible. You should suggest that once the Council gives the European Commission the official permission to open negotiations with Tradeland based on the guidelines the Council agrees upon, this permission should be considered final and no revision of the process should be asked by the Member states in between. This would only cause delays and complications in the process. You do want to emphasize you want national parliaments to be able to vote on this FTA Agreement, if it passes approval within the EU institutions, before it is put into place.

# **Instructions for the British Trade Minister**

You are representing the government of The United Kingdom of Great Britain and Northern Ireland in the Council negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the other Member states think about the agreement. However, after being briefed on the situations by your ministry counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group, which is the one UK is also part of, is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A second group includes states believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field - in terms of social, fiscal and environmental norms – would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

A third group of states includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A fourth group of states is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the green light for negotiations to begin. Such requests might include, for example, visa

liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

As Britain, you know this FTA will benefit your companies very much, especially in the areas of car industry, petroleum, and pharmaceutical companies as well as your financial companies. The big business lobby within your own country is strongly in favor of such an FTA with a long, stable ally like Tradeland. You want an overall FTA which will not exclude too many areas that other EU Member states may fight to protect (e.g.: agriculture etc.). At the same time, you are also well aware that some labor unions within your country are already worried that there will be job cuts in British companies in order to make them even more competitive against the companies of Tradeland.

### Your main objectives are to:

- Make sure that an FTA with Tradeland will be as inclusive as possible
- ➤ Make a strong case in favor of competition-driven growth, and refrain from making commitments to less competitive economies regarding mitigation of potential negative effects due to an FTA with Tradeland
- ➤ Raise your concerns regarding established consumer and labor rights, and secure that they are adequately protected. At the same time make sure that such protection will not considerably limit the purpose and essence of the FTA.
- Make sure that the discussion focuses on the topics that are high on your agenda (as those discussed above)
- Make sure that the power of Tradeland's lobbies will not be exaggerated by some Member states with the purpose of adding limitations to a final agreement

With these points in mind, you are going to negotiate - within the Council of the European Union — the mandate to be given to the European Commission for negotiating the FTA with Tradeland. Given that the Commission cannot focus on all the aspects negotiated within the Council in this simulation, the Member states of the Council will only frame and forward three major interests that it requires the Commission negotiators to focus on in their negotiations with Tradeland. To

clarify: The negotiation you are about to partake in is a European-internal negotiation; you are not negotiating with Tradeland. The outcome of your negotiation will delineate the mandate to be given to the European Commission negotiators, who will conduct an external negotiation with Tradeland on behalf of the EU. During the actual negotiations with Tradeland you will not have a representative at the negotiation table as the European Commission will be the party negotiating the deal. You (as the Council) will receive reports and updates as the negotiations progress, however, you will not be conducting them on your own. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement is signed as soon as possible. You should suggest that once the Council gives the European Commission the official permission to open negotiations with Tradeland based on the guidelines the Council agrees upon, this permission should be considered final and no revision of the process should be asked by the Member states in between. This would only cause delays and complications in the process.

# **Instructions for the European Commissioner for Trade**

You are the European Commissioner for Trade, representing the European Commission in the Council of the EU negotiations over the mandate to be given to the European Commission to sign a free trade agreement with Tradeland. Tradeland, an archipelago state in the mid-Pacific region, has one of the largest economies on the planet, closely ranking behind that of the EU.

This trade agreement, if successfully negotiated and implemented, would constitute one of the most significant developments in the history of the European Union so far as trade and economics are concerned. It is, therefore, to be anticipated that each member state will try to shape the agreement in ways promoting or preserving its own economic sectors.

You do not yet have a clear picture of what the Member states think about the agreement. However, after being briefed on the situations by your counselors, you understand that there are a number of different approaches, which can be categorized in the following groups:

The first group includes states believing that a free trade agreement with Tradeland will have an overall negative effect on their economy, harming more sectors or businesses than it would benefit. They think that the competition posed by Tradeland on an uneven playing field - in terms of social, fiscal and environmental norms – would disadvantage several of their economic sectors. These states, therefore, are reluctant to open these trade negotiations at all; they will likely seek to obtain gains on other policy areas in return for supporting the trade talks, while also seeking to limit the trade agreement's scope.

A second group is formed by countries with a strong trade surplus and largely export-driven economies. These states have strong, competitive companies which produce quality products and services that could increase market share in Tradeland. They believe that *laissez faire* policies spark innovation and prosperity and they are looking forward to increasing their operations in Tradeland's market.

A third group of states includes those that generally support the conclusion of a free trade agreement, yet seek to limit its scope to exclude specific sectors to protect their economic stakeholders, cultural diversity or culinary heritage.

A fourth group of states is in favor of more free trade, yet is concerned that an agreement with Tradeland could negatively impact well-embedded European ideals and practices, such as consumer rights, labor unions, welfare system, etc. This, given the fact that Tradeland's economy is far less regulated, and far more production-oriented economy than that of any European country. Similarly, states might raise objections regarding public health issues; specifically, these may target the genetically modified organisms (GMOs) that are unregulated in Tradeland. These states support the part of the agreement that refers to the free trade and the removal of tariffs, but they oppose harmonization of regulations between Tradeland and the EU.

Finally, a smaller group of countries seems to be neutral to a possible agreement. However, you can expect them to take advantage of the situation, seeking to be rewarded for their giving the green light for negotiations to begin. Such requests might include, for example, visa

liberalization on Tradeland's part; currently, Tradeland does not apply a uniform visa policy towards all EU Member states.

All in all, it is expected that different states will advocate for different degrees of a free trade agreement and trade liberalization with Tradeland. On these subjects, some specific issues that might also come up are:

- 1) How should the agreement be: universal or apply only to some economic activities (e.g. commodities, services, capital)?
- 2) What guarantees are given from export-driven economies to less competitive economies when it comes to mitigating the potential negative effects on the latter in the short term?
- 3) How will the agreement guarantee the protection of established civil and social rights, environmental and health standards in the European Union?
- 4) How to secure protection against powerful lobbies, which are quite established in Tradeland?

Your role as the EU Commissioner for Trade is to protect the interests of the European Union as a whole, while making sure that the voices of the Member states are heard and their interests respected within the larger framework of the EU. You will work closely with the Minister of Trade from the Member state holding the rotating Presidency of the Council of the EU, who chairs the meeting, to facilitate discussions so that a commonly agreed solution is found. You should promote an EU approach rather than individual Member states' approaches to this FTA opportunity. You have a specific interest to sign an all-encompassing FTA with Tradeland as you expect this FTA to re-ignite the economic growth across the entire EU. Secondly, you are very much in favor of promoting deals regarding the green economy and the energy with Tradeland. Your goal is to get a clear mandate supported by all the Member states of the Council of the EU. You also want to get the freedom to not have the entire negotiation with Tradeland micromanaged by requests and oversight from the Member states. You expect the negotiation mandate to leave some room of maneuver to your negotiators.

#### Your main objectives are to:

- > Facilitate the discussion
- > Guarantee that the dialogue is productive
- > Support the signing of an all-inclusive FTA with Tradeland
- Make sure that the Commission gets a clear and definite mandate

Based on these points you are going to negotiate within the Council of the European Union which mandate will be given to the European Commission. Given that the Commission cannot focus on all the aspects negotiated within the Council in this simulation, the Member states of the Council will only frame and forward three major interests that it requires the Commission negotiators to focus on in their negotiations with Tradeland. To clarify: The negotiation you are about to partake in is a European-internal negotiation; you are not negotiating with Tradeland. The outcome of your negotiation will delineate the mandate to be given to the European Commission negotiators, who will conduct an external negotiation with Tradeland on behalf of the EU. During the actual negotiations with Tradeland Member states will not have a

representative at the negotiation table as the European Commission will be the party negotiating the deal. The Council will receive reports and updates as the negotiations progress, however, it will not be conducting them on its own. According to Article 207 paragraph 3 of the Treaty on the Functioning of the European Union,

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

It is in your interest that a final agreement is signed as soon as possible. You should suggest that once the Council gives the European Commission the official permission to open negotiations with Tradeland based on the guidelines the Council agrees upon, this permission should be considered final and no revision of the process should be asked by the Member states in between. You also believe that national parliaments do not need to be consulted or vote on the final version of the FTA with Tradeland after it will be signed. Approval within the European institutions is enough, in your opinion. This would only cause delays and complications in the process.